



## COUNCIL REPORT

Report Date: June 25, 2026  
Contact: Mike Macdonell  
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Meeting Date: July 2, 2026  
[Submit comments to Council](#)

TO: Auditor General Committee  
FROM: Auditor General for the City of Vancouver  
SUBJECT: June 2026 Follow-Up Report on the Status of Previous Audit Recommendations

### Recommendation

THAT the Auditor General's Report dated June 25, 2026, entitled "June 2026 Follow-Up Report on the Status of Previous Audit Recommendations," be received for information.

### Purpose and Executive Summary

The attached Auditor General's report dated June 25, 2026, entitled "June 2026 Follow-Up Report on the Status of Previous Audit Recommendations," is provided for information, prior to being forwarded to Council. Per *Procedure By-law 5.16*, no vote is necessary.

### Council Authority/Previous Decisions

- On [November 4, 2020](#), pursuant to [Section 161](#) of the *Vancouver Charter*, Council established an Auditor General Committee to provide oversight to the Office of the Auditor General on behalf of Council.
- Pursuant to the [Procedure By-law 5.9](#), each standing committee is to report to Council on all matters resolved.
- Per the [Auditor General By-law 3.14](#), the Office of the Auditor General will report directly to Council on any investigations or inquiries conducted by the Auditor General.

### Auditor General's Comments

The Auditor General concurs with the foregoing recommendations.

## Context and Background

The Auditor General is an independent officer appointed by Vancouver City Council (Council) to help hold the City accountable for the quality stewardship of public funds and for achievement of value for money in City operations.

Under the Auditor General By-Law No. 12816, enacted by Council on November 4, 2020, and updated in 2023, the Auditor General is responsible for conducting financial, compliance, and performance audits across all City departments, including the offices of the Mayor and Council, Boards, and City-controlled corporations. At the request of the relevant oversight board, the Auditor General may also audit the Vancouver Police Department, Vancouver Public Library, and the Vancouver Board of Parks and Recreation. The Auditor General does not conduct the City's annual financial audit, which continues to be carried out by external financial auditors.

The purpose of the performance audit is to determine whether the City's operations are economical, efficient and effective. Performance audits typically result in recommendations for improvement that are issued to the audited department(s) or other entities through the audit report and presented to the Auditor General Committee for endorsement. Departments are asked to prepare action plans to implement these recommendations.

On behalf of, and as requested by the Auditor General Committee, the Auditor General follows-up on the status of previous audit recommendations. This report is the sixth semi-annual follow-up report on the status of previous audit recommendations. It provides updates on the implementation of 60 audit recommendation from eight reports issued between 2023 and 2026. The follow-up report's primary value-add is to ensure that recommendations endorsed by Council are adequately addressed by City departments so that Council receives full value from the Auditor General's work.

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# Follow-Up Report

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An update on the status of previous audit recommendations

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June 2026

# Message From the Auditor General

To the Mayor and Council of the City of Vancouver,

I am pleased to present my sixth semi-annual follow-up report on the status of previous audit recommendations.

Where my audits identify opportunities for improvement in the economy, efficiency and/or effectiveness of the City's operations, I make recommendations aimed at addressing root causes. As Auditor General I, quite appropriately, have no ability to compel the City to implement my recommendations, so I ask Council to endorse them. On behalf of, and as requested by Council's Auditor General Committee, every six months I follow-up on the status of these recommendations.

It is important to note that the status updates contained in this report have been provided by, and are the representations of, City management. My team has conducted no work to verify the information provided and we offer no assurance or any form of comment regarding its completeness or accuracy. As part of its oversight responsibilities and to ensure robust accountability, I encourage the Auditor General Committee to ask questions of audited departments concerning their representations, and to seek clarification or further information.

It is gratifying to see audited departments report progress on the vast majority of my recommendations. I look forward to seeing further progress in the next semi-annual follow-up report to be presented to Council in December 2026.



Mike Macdonell, FCPA, FCA  
Auditor General  
Vancouver, B.C.

25 June 2026

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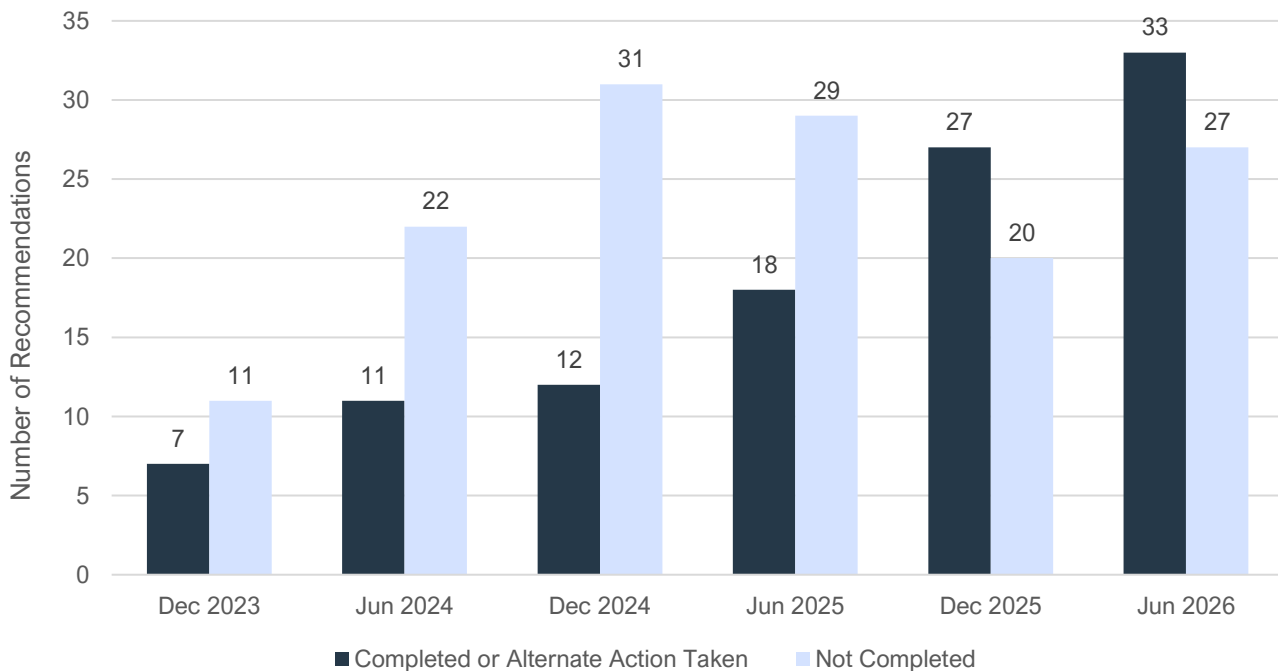
## Report Highlights

This report section summarizes the implementation status of all audit recommendations issued in reports released between 2023 and 2026, as at June 2026. The following definitions are used to categorize management's self-assessed progress in implementing outstanding recommendations:

- **Fully or substantially implemented:** The department has fully addressed the recommendation and plans no further work
- **Alternative action taken:** The department has taken actions that were not anticipated by the recommendation but address the underlying issues.
- **Partially implemented:** The department's actions to address the recommendation are in process.
- **No substantial action taken:** The department has not, or has not yet, taken actions in response to the recommendation.

**Figure 1**

Number of completed recommendations by year (December 2023 to June 2026)



## Status of Audit Recommendations by Report and Year

Audit Report	Total Recs	Completed / Alternate Action Taken	Partially Implemented	No Action Taken
<b>Initial Follow-Up   2025</b>				
Recreation Facility Asset Management	13	-	10 (77%)	3 (23%)
<b>Subsequent Follow-Ups   2024</b>				
Vancouver Police Department's Organizational Performance Management	4	3 (75%)	1 (25%)	-
Childcare, Cultural and Social Non-Profit Leases	10	10 (100%)	-	-
<b>Subsequent Follow-Ups   2023</b>				
Vancouver Police Department's Enterprise Risk Management	9	4 (44%)	5 (56%)	-
Park Board Revenue Management	6	2 (33%)	4 (67%)	-
Permitting Program Cost Recovery Model	8	7 (88%)	1 (13%)	-
Office Furniture Purchases	5	3 (60%)	2 (40%)	-
Building Permit Fees	5	4 (80%)	1 (20%)	-
<b>Total (2023-2025)</b>	<b>60</b>	<b>33 (55%)</b>	<b>24 (40%)</b>	<b>3 (5%)</b>

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## **Initial Follow-Up**

Report Published in 2025

## Outstanding Recommendations

# Audit of Recreation Facility Management

### Management's Overall Comments

The City has established a corporate Asset Management Steering Committee and working group, with REFM participating, to guide the development of an asset management policy, framework, and decision-making tools. This work includes defining asset inventories, conditions, and technical and community levels of service. Council's approval of an increase to the infrastructure levy (from 1% to 2%) will support efforts to address the City's infrastructure deficit.

REFM is advancing several initiatives to strengthen asset management practices. These include improving preventative maintenance programs, enhancing data quality and reporting through SAP restructuring and data enablement projects, and refining lifecycle and replacement data. A risk and criticality matrix will be introduced to prioritize resources, reinforcing preventative maintenance as the primary approach while limiting reactive maintenance to defined exceptions.

A decision-making framework will be developed through 2027/2028, helping guide investment priorities and trade-offs within available funding. Concurrently, REFM and Park Board staff will collaborate on updating the Partnership Agreement addendum (anticipated late 2026/early 2027), which will clarify roles, responsibilities, service levels, and performance metrics, while aligning maintenance responsibilities with budget considerations.

Overall, these efforts aim to improve data-driven decision-making, strengthen accountability, and support consistent, cross-departmental asset management practices.

### Report Overview

**Progress as at:**

June 25, 2026

**Follow-Up Round:**

One

**Audit report release date:**

[September 11, 2025](#)

**Presented to the Auditor  
General Committee:**

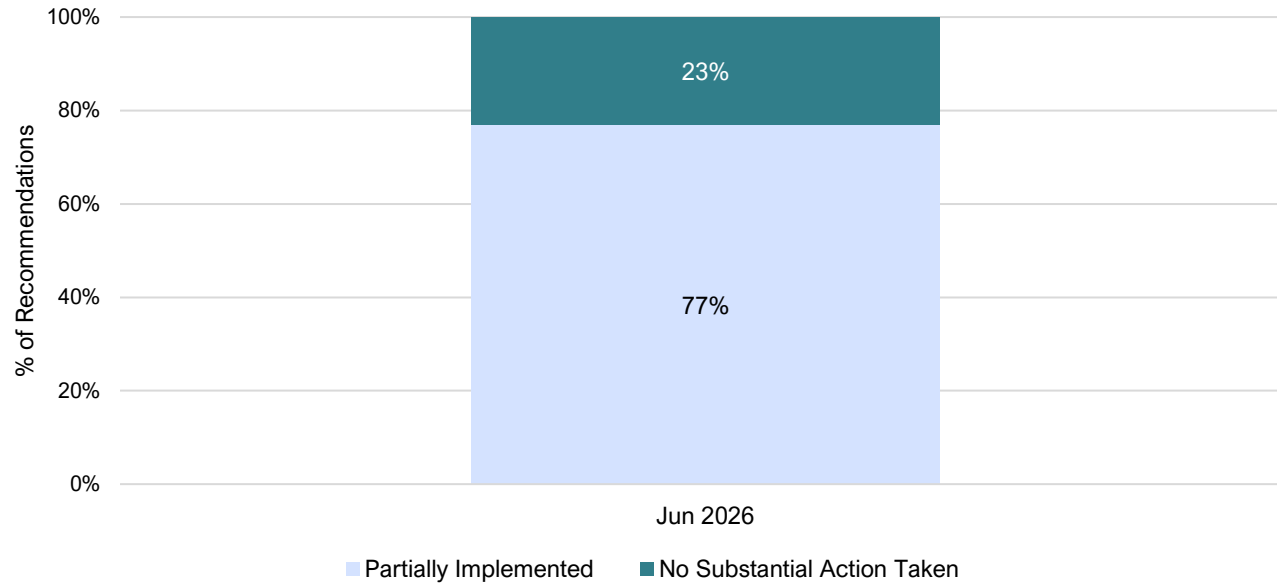
[September 18, 2025](#)

**Joint self-assessment  
conducted by:**

- Finance & Supply Chain Management
- Real Estate, Environment & Facilities Management (REFM)
- Vancouver Board of Parks & Recreation

**Figure 2**

June 2026 implementation status of recommendations made in the Audit of Recreation Facility Asset Management report



## Outstanding Recommendations

Recommendations	Status (June 2026)	Actions taken, results and/or actions planned
<p><b>Recommendation 1</b></p> <p>The City should implement an asset management framework. Foundationally, the framework should include:</p> <ul style="list-style-type: none"> <li>• An asset management policy to set guiding principles when using asset management practices to meet the requirements of the City’s strategic plans; and,</li> <li>• An asset management strategy to define how the City’s strategic objectives translate to levels of service and other objectives, along with associated decision-making criteria, to guide the development of asset management plans.</li> </ul>	<p><b>Partially Implemented</b></p>	<p>A City-wide asset management steering committee and working group has been established, of which REFM is a member of. The asset management policy and asset management framework and strategy are deliverables which are currently under development.</p>
<p><b>Recommendation 2</b></p> <p>The Park Board and REFM should develop an asset management plan for recreation facilities. The Park Board and REFM should determine which entity should lead the</p>	<p><b>Partially Implemented</b></p>	<p>Under the guidance of the City-wide Steering Committee, the state of infrastructure (asset types, inventory, condition), levels of service – technical and community (LoS) will be established. On May 20, 2026, Council approved an increase from 1% to 2% infrastructure levy in-order to help alleviate the infrastructure deficit across all City-owned assets.</p>

development of the plan, or whether it should be co-led. The plan should:

- Align with the City's asset management framework (see Recommendation 1);
- Be approved by the Park Board and Council;
- Include the following elements:
  - State of infrastructure (asset types, inventory and valuation, age and condition);
  - Current and planned levels of service (community and technical);
  - Lifecycle management strategy (growth and enhancements, refurbishment and renewal, operations and maintenance); and,
  - Financial strategy (infrastructure funding deficit, historic and projected expenditures, funding resources).

<p><b>Recommendation 3</b></p> <p>To support consistent and defensible methodologies for prioritization and trade-off decisions within approved funding envelopes, the City should integrate the recreation facility plan as a component of a broader plan for all City facilities. This plan should be used as an input for City-wide asset prioritization processes.</p>	<p><b>Partially Implemented</b></p>	<p>A deliverable to come out of the work being undertaken by the Asset Management Steering Committee is a decision-making framework. An external consultant with asset management expertise has been engaged to support this work, which will be ongoing into 2027. This will be used in conjunction with other strategies to determine priorities and trade-offs within approved funding levels.</p>
<p><b>Recommendation 4</b></p> <p>Once levels of service have been defined for asset management, the City should establish and implement the level of asset management reporting (i.e., City-wide, service group or facility type) required by elected officials for effective strategic decision-making.</p> <ul style="list-style-type: none"> <li>Reporting should include risks and impacts to community levels of service related to forecast funding scenarios and technical levels of service targets</li> </ul>	<p><b>No Substantial Action Taken</b></p>	<p>Under review for next steps as part of the work being undertaken by the City-wide Asset Management Steering Committee.</p>

<p><b>Recommendation 5</b></p> <p>The City should:</p> <ul style="list-style-type: none"> <li>• Calculate and consolidate relevant lifecycle cost estimates (such as operating maintenance, capital maintenance, renewals and replacement) for recreation facilities to support long-term investment planning;</li> <li>• Update the infrastructure funding gap calculation to reflect these lifecycle costs; and,</li> <li>• Analyze the updated funding gap relative to current and planned community levels of service to ensure funding alignment. Levels of service or funding investments should be adjusted as required to address the shortfall.</li> </ul>	<p><b>Partially Implemented</b></p>	<p>Steps are being undertaken to review facility lifecycle and replacement data and to update accordingly. On May 20, 2026, a report entitled “VanStat: Asset Condition &amp; Service Delivery Risk” to Council provided some high-level data regarding infrastructure funding gap at the portfolio level.</p>
<p><b>Recommendation 6</b></p> <p>The Park Board and REFM’s Partnership Agreement should be updated to include:</p> <ul style="list-style-type: none"> <li>• REFM’s accountability requirements to the Park Board,</li> </ul>	<p><b>No Substantial Action Taken</b></p>	<p>Anticipated to begin late 2026/early 2027, an addendum will be developed to include updates to base building definition and responsibilities, departmental roles and accountabilities, technical levels of service, and performance metrics. The addendum will include both REFM and Parks Board input. As part of the addendum, we will be seeking alignment between maintenance responsibilities and budget with the involvement of Finance.</p>

<p>including defining and reporting on metrics that include targets and results related to technical levels of service;</p> <ul style="list-style-type: none"> <li>• Defined roles and responsibilities for the development of an asset management plan for recreation facilities (as per Recommendation 2);</li> <li>• A definition of 'base building' and detailed guidance on which entity is responsible for maintenance of base building components vs programming equipment; and,</li> <li>• Alignment between maintenance responsibilities and budgets.</li> </ul>		
<p><b>Recommendation 7</b></p> <p>The City should implement an integrated information technology solution to manage and report on its capital asset related data.</p>	<p><b>Partially Implemented</b></p>	<p>REFM and Technology Services joint project work on the Data Restructuring and Enrichment Project and the Facility Data Enablement Hub Project consolidates, organizes and enable accurate data reporting and analysis for effective capital asset management. Both projects are expected to extend into 2027/2028.</p> <p>The Data Restructuring and Enrichment Project improves the data in our current system and provides for improved data reporting. A new system is not being considered at this time.</p>

<p><b>Recommendation 8</b></p> <p>REFM should formalize a process to regularly assess the effectiveness of preventative maintenance schedules and leverage data analytics to support predictive maintenance.</p>	<p><b>Partially Implemented</b></p>	<p>Improvements to REFM’s centralized contract services has been completed for planned preventative maintenance. REFM has taken steps to improve preventative maintenance schedules and are formalizing a process to assess the effectiveness of preventative maintenance through enhanced reporting tools and asset mapping.</p>
<p><b>Recommendation 9</b></p> <p>REFM should improve its data reliability to accurately assess work order completion rates, and the Park Board and REFM should implement risk-informed measures to reduce the delays in demand maintenance completion.</p>	<p><b>Partially Implemented</b></p>	<p>REFM's Work Control Centre has enhanced its processes, training and data management to improve overall data reliability.</p> <p>Asset inventories are now tracked at a more granular level, enabling deeper analysis and better-informed decision-making.</p> <p>Reporting has been refined to improve visibility into work order status and completion rates, supported using a mobile app in the field.</p> <p>The SAP Data Restructuring and Enhancement Project (underway) aims to strengthen data governance, improve data quality, and provide better insights to support building and parks maintenance processes and decisions.</p>
<p><b>Recommendation 10</b></p> <p>In conjunction with the Park Board, REFM should assess the benefits of implementing a balanced maintenance strategy that shifts focus towards planned and</p>	<p><b>Partially Implemented</b></p>	<p>REFM has taken significant steps to strengthen preventative maintenance programs and is formalizing a process to assess their effectiveness through enhanced reporting tools and improved asset mapping. REFM will lead the operational implementation of this work in consultation with Park Board staff.</p> <p>A risk and criticality matrix will be developed to support evidence-based prioritization of resources, ensuring that preventative maintenance remains the primary approach to asset management.</p>

<p>predictive maintenance. This includes:</p> <ul style="list-style-type: none"> <li>• Ensuring that maintenance data is of sufficient quality to support analysis (complete and accurate);</li> <li>• Assessing the gap between the operating maintenance and capital maintenance required to reduce demand maintenance (i.e. how much demand maintenance is the result of planned/preventative maintenance or capital maintenance projects not being completed as required);</li> <li>• Developing and using a risk and criticality matrix to determine which asset components can be left to reactive maintenance without significant negative impact on levels of service;</li> <li>• Determining the budget and staff capacity required; and,</li> <li>• Developing a funding strategy to efficiently and effectively carry out the preventative and capital maintenance required to shift the balance from reactive to</li> </ul>		<p>This framework will also help identify limited scenarios where a reactive response may be appropriate, without compromising service levels or long-term asset performance.</p> <p>With respect to the funding strategy, Council has recently approved (May, 2026) an increase to the infrastructure levy from 1% to 2% in order to help address the infrastructure deficit.</p>
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<p>proactive maintenance and address the capital maintenance backlog of recreation facilities</p> <ul style="list-style-type: none"> <li>This strategy should incorporate the service levels specified in Recommendation 2 and be included in the overall funding gap analysis in Recommendation 5.</li> </ul>		
<p><b>Recommendation 11</b></p> <p>With input from the Park Board, the City should develop a standardized framework for prioritizing recreation facility asset renewal, replacement and disposal. The framework should incorporate clear evaluation criteria and documented rationale to support transparent and defensible decision-making.</p>	<p><b>Partially Implemented</b></p>	<p>An external consultant will be engaged to support the development of an asset management decision-making framework for REFM, with work continuing through 2027/2028. This framework will be used alongside other initiatives to help determine priorities and trade-offs within approved funding levels. REFM will lead the operational aspects of this work in consultation with Park Board staff.</p>
<p><b>Recommendation 12</b></p> <p>The Park Board and City should review and update their current metrics to create key performance indicators that integrate measures of utilization, maintenance and cost efficiency. This would allow for more comprehensive monitoring</p>	<p><b>Partially Implemented</b></p>	<p>As part of the work undertaken on asset management, the Asset Management Framework will include performance metrics and levels of service; this review will focus on integrating measures of utilization, maintenance, and cost efficiency while maintaining a streamlined set of indicators to support cross-departmental reporting and decision-making.</p> <p>As part of the Partnership Agreement addendum (REFM/Parks &amp; Recreation), anticipated to be initiated late 2026/early 2027, base</p>

<p>and reporting of recreation facility performance relative to community and technical service levels.</p>		<p>building definitions and responsibilities will be updated, and departmental roles, accountabilities, technical service levels, and performance metrics will be further clarified.</p>
<p><b>Recommendation 13</b></p> <p>After accountability requirements have been updated in the Partnership Agreement (as per Recommendation 6), REFM should report its results against agreed-upon performance measures and targets to the Park Board to demonstrate its fulfilment of facility asset management obligations.</p>	<p style="text-align: center;"><b>No Substantial Action Taken</b></p>	<p>REFM will undertake further analysis to determine appropriate reporting mechanisms following the update of accountability requirements in the Partnership Agreement (as outlined in Recommendation 6), it is essential that these mechanisms are developed with a clear understanding of the financial context.</p>

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## **Subsequent Follow-Ups**

Reports Published 2023-2024

## Outstanding Recommendations

# Audit of Vancouver Police Department's Organizational Performance Management

### Vancouver Police Board's Overall Comments

The Vancouver Police Board is pleased to update the status of its implementation of recommendations derived from the Audit of the Vancouver Police Department's Organizational Performance Management. This report reflects the considerable progress achieved through collaborative efforts of both the Board and the Department. The Board extends its appreciation once again to the Office of the Auditor General for partnering in this important work.

The work undertaken by the Board over the past two years spanning performance reporting, enterprise risk management, governance policy development, and strategic planning represents a significant and substantive body of accomplishment.

The Board is confident that the enhancements implemented to date have meaningfully elevated the quality of its oversight and governance of Department performance, and it remains steadfast in its commitment to continued excellence in fulfilling its Police Act mandate.

### Vancouver Police Department's Overall Comments

The Vancouver Police Department (the "VPD") has been working closely with the Vancouver Police Board (the "Board") to advance organizational performance management and implement the Office of the Auditor General's (the "OAG") recommendations.

### Report Overview

**Progress as at:**

June 25, 2026

**Follow-Up Round:**

Three

**Audit report release date:**

[October 31, 2024](#)

**Presented to the Auditor General Committee:**

[December 5, 2024](#)

**Joint self-assessment conducted by:**

- Vancouver Police Board
- Vancouver Police Department

The [Canadian Police Performance Metrics Framework](#) (the “National Framework”) was endorsed by the Board’s Governance Committee on October 30, 2025, and approved by the Board on November 20, 2025, as the organizational performance management framework for the VPD (*in camera* Board Report No. 2511V23). The National Framework was published in 2019 and endorsed by the Canadian Association of Police Chiefs (the “CACP”), Public Safety Canada, and Statistics Canada. It is organized around four pillars supported by multiple dimensions and metrics. It reflects the current state-of-the-art benchmark for police metrics.

The Board also concurrently approved the creation of a new VPD annual performance report containing a prioritized list of 16 meaningful key performance indicators (the “KPIs”) based on the National Framework and applicable to the VPD context. The 16 KPIs are intended to remain consistent over time to understand trends and assess the impact of strategic changes. Collectively, these 16 KPIs:

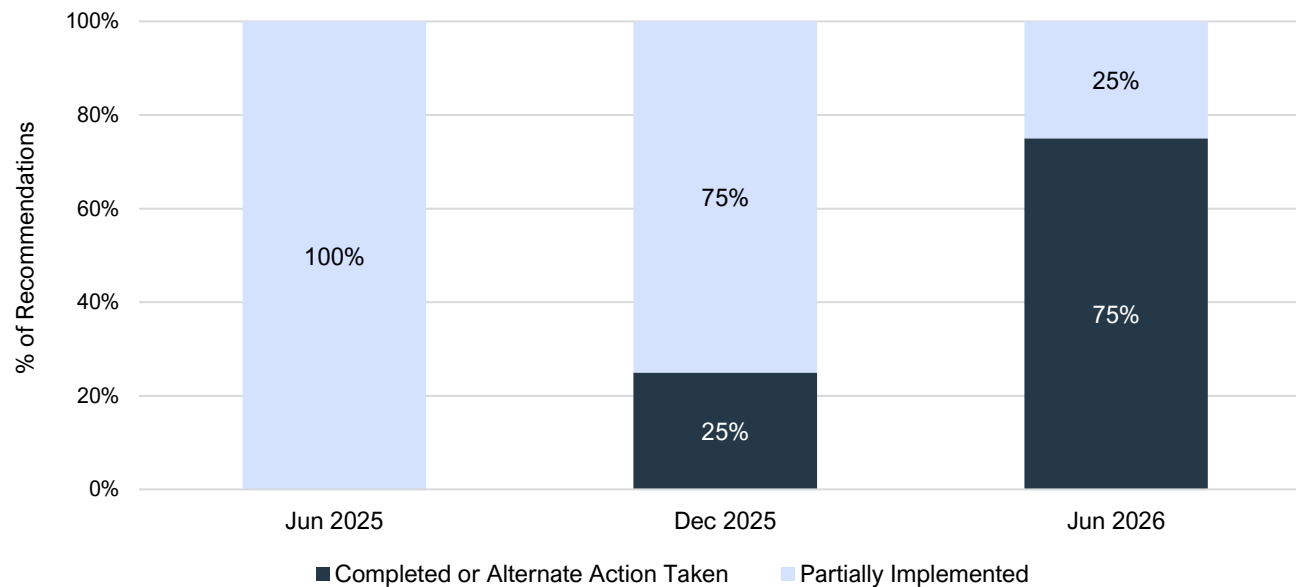
- capture the key dimensions and metrics outlined in the National Framework, across all four pillars;
- cover all four VPD Strategic Goals;
- reflect outcomes from all four VPD Divisions;
- balance input, activity, output, and outcome measures;
- reflect many of the different “examples of dimensions of policing in a public value scorecard” listed in the OAG’s 2024 report;
- connect performance-related data across various existing VPD reports, including but not limited to the quarterly Public Safety Indicators (PSI) report, annual Crime Severity Index (CSI) report, the VPD Annual Report, Support Services reports, and Financial Services reports;
- help draw conclusions about organizational performance;
- demonstrate service quality, economy, efficiency and effectiveness;
- demonstrate the Department’s stewardship of financial resources and progress in achieving each of its strategic goals.

The inaugural Annual Performance Metrics Report was submitted to the Board's Governance Committee for discussion in March 2026 and to the Board for information as part of its regular (public) meeting package for April 23, 2026 ([Board Report No. 2602V18](#)).

The VPD has now fully addressed the recommendations from the OAG and no further work is planned other than the annual performance metrics report for the Board.

**Figure 3**

June 2026 implementation status of recommendations made in the Audit of Vancouver Police Department's Organizational Performance Management report



## Outstanding Audit Recommendations

Recommendations	Status (June 2026)	Actions taken, results and/or actions planned
<p><b>Recommendation 1</b></p> <p>The Vancouver Police Board should revisit the performance-related information it requires from the Vancouver Police Department to effectively carry out its oversight responsibilities and:</p> <ul style="list-style-type: none"> <li>• Set expectations with the Department for the level of performance that should be demonstrated through the delivery of business plans;</li> <li>• Work with the Department to develop and approve the Department's key performance indicators (KPIs) and the performance measures that would be most appropriate in assessing its performance (e.g., baselines, targets and benchmarking); and,</li> <li>• Develop guidelines for the VPD's reports to the Board that demonstrate the Department's service quality, economy, efficiency and effectiveness in achieving each of its strategic</li> </ul>	<p style="text-align: center;"><b>Partially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>The Board has undertaken a comprehensive review of the performance-related information it receives from the Department in order to ensure that the Board's performance expectations of the Department are clearly established and communicated.</p> <p>Over the past two years, the Board has compiled a complete inventory of reports it requires from the Department, classified into two categories: those that track Key Performance Indicators (KPIs) and those that serve informational purposes without KPI tracking. Both categories of report are reviewed regularly by the full Board, including as a standing item at the Board's annual strategic planning session each May.</p> <p>Each division within the Department is responsible for submitting a designated set of reports, the format and content of which have been reviewed and approved by the Board and are subject to ongoing refinement by the Board to address emerging needs. Each report identifies the specific KPIs it tracks, and the Board requires that it be promptly informed of any unmet criteria, performance challenges, or areas where the Department requires additional guidance. To further support proactive oversight, reports are colour-coded according to risk level, low, medium, and high, a method meant to help clarify for the Board emerging concerns and to instigate or recommend actions to prevent escalation.</p> <p>The Board and the Department have engaged in extensive dialogue to determine KPIs mean to measure and assess departmental performance against established baselines most appropriately. The Board's Governance Committee receives the Annual Performance</p>

<p>goals, as well as the Department's stewardship of financial resources.</p> <p>The Vancouver Police Board Governance Manual should also be updated to reflect changes made from implementing this recommendation.</p>		<p>Metrics Report each March and provides direction on any updates or adjustments required to the indicators.</p> <p>The Department's newly established Strategy and Innovation Division has also started reporting to the Board; given the recent establishment of this Division, its KPIs are currently under review and will be presented to the Board for feedback and approval in due course.</p> <p>The Board's Finance, Audit, and Risk Committee has made recommendations to the Board on amending the Board's Governance Manual to reflect the changes made to the Board's KPI framework and performance management processes. The Board expects to consider and, if appropriate, approve those recommendations at its September 2026 meeting.</p>
<p><b>Recommendation 2</b></p> <p>In alignment with the expectations and guidelines set out by the Board, and building upon what is already in place, the Vancouver Police Department should update its approach to performance measurement to:</p> <ul style="list-style-type: none"> <li>Develop, monitor and establish regular reporting on a finite list of prioritized and meaningful (i.e. key) performance indicators which balance input, activity, output and outcome measures and are generally consistent over time in order to understand</li> </ul>	<p><b>Fully or Substantially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>On November 20, 2025, the Board approved the 2019 Canadian Police Performance Metrics Framework as the organizational performance management framework for the VPD (Board Report No. 2511V23). Concurrently, the Board also endorsed a prioritized list of 16 meaningful key performance indicators applicable to the VPD context to be reported as part of an annual performance report.</p> <p>The inaugural Annual Performance Metrics Report was submitted to the Board for information as part of its regular (public) meeting package for April 23, 2026 (<a href="#">Board Report No. 2602V18</a>).</p>

<p>trends, assess impacts and demonstrate the economy, efficiency and effectiveness of its service delivery;</p> <ul style="list-style-type: none"> <li>• Establish performance expectations;</li> <li>• Identify which of its desired outcomes are measurable and develop processes to measure and report progress against a selection of these outcomes;</li> <li>• Better leverage financial information to assess the effective and efficient use of its resources; and,</li> <li>• Connect performance-related data across its various reports, where appropriate, to help draw conclusions about organizational performance.</li> </ul> <p>The Vancouver Police Department should document its key performance indicators (KPIs) and performance measures and how these indicators map against goals and desired outcomes as well as the processes used to track, assess and demonstrate results in its performance measurement framework.</p>		
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**Recommendation 3**

To strengthen meaningful public accountability and transparency, the Vancouver Police Department should ensure its public annual performance report includes reporting on actual results against planned results, performance successes and shortfalls (where applicable) and key performance indicators (KPIs)

**Fully or Substantially Implemented**

*previous status (Dec 2025):  
partially implemented*

The inaugural Annual Performance Metrics Report was submitted to the Board for information as part of its regular (public) meeting package for April 23, 2026 ([Board Report No. 2602V18](#)).

# Outstanding Recommendations

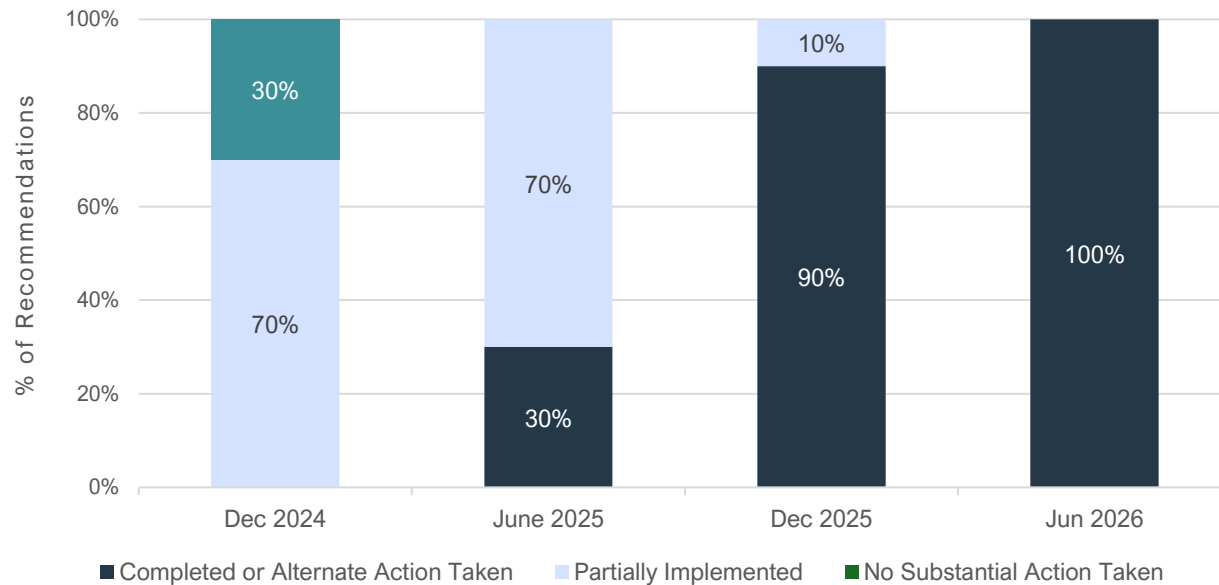
## Audit of Childcare, Cultural and Social Non-Profit Leases

### Management's Overall Comments

ACCS is pleased to report that the last Recommendation from the Audit is now marked as complete.

**Figure 4**

June 2026 implementation status of recommendations made in the Audit of Childcare, Cultural and Social Non-Profit Leases report



### Report Overview

**Progress as at:**

June 25, 2026

**Follow-Up Round:**

Four

**Audit report release date:**

[June 13, 2024](#)

**Presented to the Auditor General Committee:**

[June 20, 2024](#)

**Self-assessment conducted by:**

- Arts, Culture and Community Services (ACCS)

## Outstanding Recommendations

Recommendations	Status (June 2026)	Actions taken, results and/or actions planned
<p><b>Recommendation 10</b></p> <p>The City should provide Council with information on the full extent of the City’s financial contribution to non-profit organizations receiving lease grants. This reporting should include information such as:</p> <ul style="list-style-type: none"> <li>• Estimated operating and capital maintenance costs for each lease to be incurred by the City, to inform leasing decisions;</li> <li>• Actual maintenance and capital costs incurred by the City;</li> <li>• The full value of the City’s financial contribution to each operator (e.g., maintenance, lease grant, operating grant); and,</li> <li>• Other pertinent information as identified by Council.</li> </ul>	<p><b>Fully or Substantially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>In the Management Response, ACCS committed to assessing whether estimating operating and capital maintenance costs was possible at the lease level as well as assessing the full value of the financial contribution to non-profit tenants either at the lease or portfolio level.</p> <p>The assessment work was completed by the March 31 target date and found that due to systems limitations, the resources required to provide reporting at the lease / operator level for actual operating and capital maintenance costs is significant and deemed currently not viable. The assessment did determine that providing operating and capital maintenance information on actual costs at the portfolio level on an annual basis is possible. Changes have been made to REFM and Finance’s procedures so that starting in 2026, reporting will be possible at the portfolio level for 2025 actual operating and capital maintenance costs. These amounts were provided to Council on an interim basis in Q2 2025.</p> <p>The in-kind grant amount for each lease continues to be provided in Council Reports as leases are approved. In addition, new leases with new / current operators will include the operating and capital estimates in each report sent to Council for approval, to the extent such estimates are available at the time.</p> <p>The ACCS Grant Impact report is published annually and captures available information about operating and maintenance costs as well as in-kind and cash grants going forward. The ACCS 2025 Grant Impact Report was made public on May 25, 2026.</p>

## Outstanding Recommendations

# Audit of Vancouver Police Department's Enterprise Risk Management

### Vancouver Police Board's General Comments

The Vancouver Police Board thanks the Office of the Auditor General for supporting this audit and recommendation process since 2023. This collaborative work serves a purpose greater than compliance alone it reflects the collective resolve of the City of Vancouver, the Board, and the Vancouver Police Department to advance efficiencies, strengthen public safety, and build a more resilient and accountable framework for managing risk in service of the communities we are privileged to serve.

This June 2026 report presents an account of the implementation status of the recommendations arising from the audit, and it stands as a testament to the diligence, dedication, and collaborative resolve of both the Board and the Department. Substantial progress has been achieved across all areas under review, reflecting a shared commitment to meaningful and lasting governance improvement.

### Vancouver Police Department's General Comments

The Vancouver Police Department (VPD) welcomes the opportunity to provide updates on the Office of the Auditor General's Recommendations to the VPD on Enterprise Risk Management (ERM).

The VPD is mindful of the fact that the full implementation, improvement, and maturity of ERM at the VPD is an on-going, long-term process. The VPD, combined with the oversight and governance of the Vancouver Police Board (VPB), is committed to delivering an effective ERM program.

### Report Overview

**Progress as at:**

June 25, 2026

**Follow-Up Round:**

Five

**Audit report release date:**

[December 7, 2023](#)

**Presented to the Auditor General Committee:**

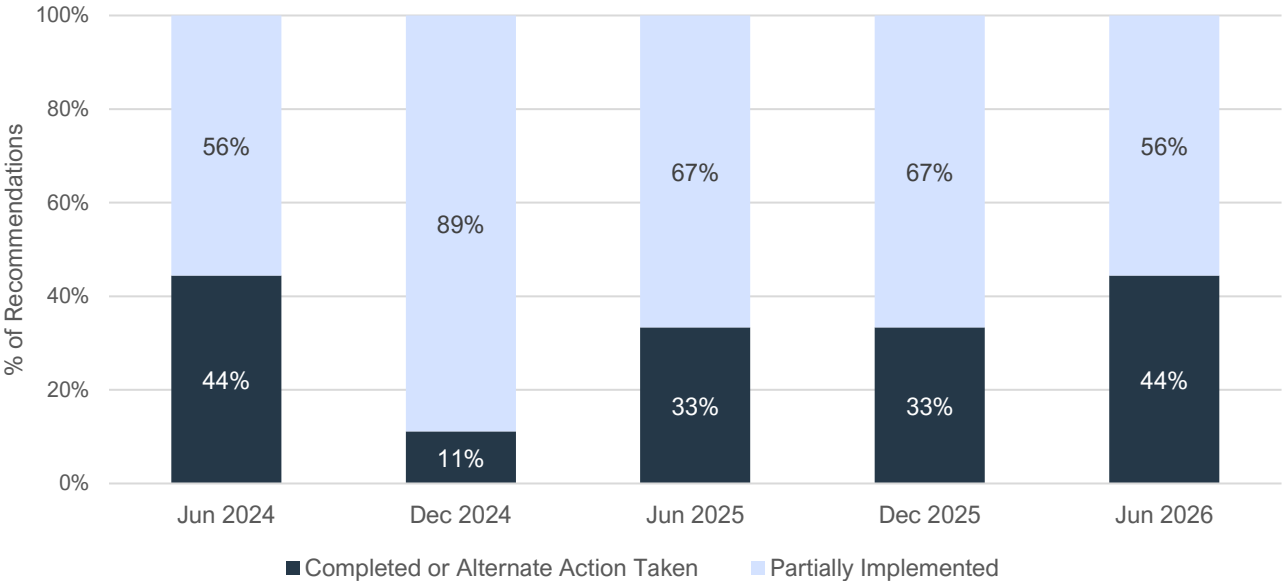
[January 16, 2024](#)

**Joint self-assessment conducted by:**

- Vancouver Police Board
- Vancouver Police Department

**Figure 5**

June 2026 implementation status of recommendations made in the Audit of Vancouver Police Department's Enterprise Risk Management report



# Outstanding Audit Recommendations

Recommendations	Status (June 2026)	Actions taken, results and/or actions planned
<p><b>Recommendation 1</b></p> <p>The Vancouver Police Board should clarify and expand sections of its Board Governance Manual relating to oversight of enterprise risk management such as:</p> <ul style="list-style-type: none"> <li>• A statement that identifies the Board as the overseer of enterprise risk management for the Vancouver Police Department and describes what this entails;</li> <li>• A definition of risks including key risk categories the Board oversees such as: hazards, material, strategic, financial, reputational, governance, operational and other;</li> <li>• The roles of the Board and Chief Constable in defining and communicating the levels and types of risks the organization is willing to accept;</li> <li>• The Board’s expectations for when and how the Department should seek</li> </ul>	<div style="background-color: #1a3d4d; color: white; padding: 10px; border-radius: 10px; text-align: center;"> <p><b>Fully or Substantially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p> </div>	<p>In response to Recommendation 1, the Board has undertaken several meaningful enhancements to its governance framework.</p> <p>The Board’s Governance Manual has been revised to include an explicit statement affirming the Board’s role as the overseer of enterprise risk management for the Department.</p> <p>The key areas of risk subject to Board oversight have been formally identified and incorporated into the Governance Manual. These areas include operational, financial, strategic, legal and regulatory, public trust, technological, and human capital risks.</p> <p>Additionally, key risk indicators corresponding to each of these risk categories have been added to the Governance Manual to further strengthen the Board’s oversight function.</p> <p>Enterprise risk management reporting to the Board now occurs on a regular basis through the Board’s Finance, Audit and Risk Committee, which convenes four to six times annually. Following the Committee’s initial review and feedback, reports are subsequently brought forward to the full Board for approval, which occurs twice per year, normally in May and in November.</p> <p>Furthermore, the Board’s most recent strategic planning session on May 28, 2026 included a dedicated agenda item on enterprise risk management, providing an opportunity for the Board to make recommendations, review updates to the risk register, and receive an enterprise risk management session for incoming Directors.</p>

<p>Board guidance or approval on managing enterprise risks; and,</p> <ul style="list-style-type: none"> <li>• The Board’s Standing Committee responsibilities for the oversight of financial and non-financial risk management.</li> </ul>		<p>As part of its annual review, the Board also examined risk management practices broadly, including a review of risk appetite and tolerance levels for key risks.</p>
<p><b>Recommendation 3</b></p> <p>The Vancouver Police Board should introduce consistent mechanisms to implement the Board’s risk management direction, such as:</p> <ul style="list-style-type: none"> <li>• A process for the Board’s involvement in the development of an enterprise risk management policy and processes, and the development and management of departmental risk registers;</li> <li>• A schedule to review and approve the Vancouver Police Department’s enterprise risk register at least annually; and,</li> <li>• Processes through which the Board can obtain reasonable assurance that the Department’s risk</li> </ul>	<div style="background-color: #e0f0ff; padding: 10px; border-radius: 10px;"> <p><b>Partially Implemented</b></p> <p><i>previous status (Dec 2025):</i> <b>partially implemented</b></p> </div>	<p>The Board has implemented consistent and structured mechanisms for risk management oversight and direction in response to Recommendation 3.</p> <p>The Board has adopted a new Enterprise Risk Management Policy and Guideline, reflected in its updated Governance Manual, which establishes that the Board, in collaboration with the Chief Constable, defines and formally approves the organization’s risk appetite and tolerance levels through a Board-approved risk register. This register is subject to annual review, and the Chief Constable bears responsibility for operationalizing, managing, and communicating risk parameters within the Department to ensure alignment with the Board’s strategic oversight and governance direction.</p> <p>The Board receives both periodic and annual enterprise risk management reports, and the formal policy is approved by the Board.</p> <p>Going forward, the Department must proactively seek Board guidance and approval on the identification, assessment, mitigation, and reporting of material enterprise risks that may affect governance, strategy, sustainability, legal compliance, public trust, or operational integrity. This process is initiated through review and assessment by the Finance, Audit and Risk Committee, before proceeding to the full</p>

<p>management, internal control systems, and information systems are properly designed, reliable and operating effectively to prevent and mitigate risks, including elements such as:</p> <ul style="list-style-type: none"> <li>○ Reporting, testing and third-party validations; and,</li> <li>○ Regular reporting from management or direct oversight of the Department’s internal audit function.</li> </ul>		<p>Board for final approval, thereby ensuring alignment with the Board’s governance mandate and risk appetite.</p> <p>Through this structured process, the Board seeks reasonable assurance that the Department’s risk management, internal control, and information system frameworks are appropriately designed, reliable, and operating effectively to prevent and mitigate risks supported by structured management reporting, periodic control testing. The one outstanding process item for the Board to address is its identification and integration of independent third-party validators to periodically review the reliability and effectiveness of the Department’s risk management, internal control systems, and information systems; The Board remains committed to addressing this item.</p> <p>To further enhance its governance framework, the Board has expanded the risk management, internal control, and information systems section of its Governance Manual to incorporate non-financial information alongside financial risks subject to Board oversight.</p> <p>Finally, the Board convened a refresher session in May 2026 to reaffirm its enterprise risk management priorities in advance of the 2027–2030 Strategic Plan, with enterprise risk management identified as a key governance priority for the Board going forward.</p>
<p><b>Recommendation 5</b></p> <p>The Vancouver Police Department should:</p> <ul style="list-style-type: none"> <li>• Develop an enterprise risk management framework. This</li> </ul>	<p style="text-align: center;"><b>Partially Implemented</b></p> <p style="text-align: center;"><i>previous status (Dec 2025): partially implemented</i></p>	<p><b>Developing an ERM framework (Framework)</b></p> <p>As previously reported, the VPB approved International Standard Organization (ISO) 31000 as the ERM Standard (Standard) for the VPD on April 25, 2024. This commitment was further advanced on October 31, 2024, where the VPB approved a motion by its Finance, Audit, and Risk Committee (Committee) that requires the VPD to establish and maintain an ERM Framework and obtain VPB feedback</p>

framework should include, at a minimum:

- Clearly documented procedures to identify, assess, manage, and oversee its enterprise risks;
- Communication procedures to enable consistent understanding of enterprise risk by all relevant stakeholders; and,
- Develop an enterprise risk management policy that includes:
  - A requirement for management to apply enterprise risk management principles in managing department-wide risks;
  - Policy aims such as how risk management will assist the Department; and,
  - Specific responsibilities and accountabilities related to managing enterprise risks for units and individuals

on the Framework. On November 20, 2025, the VPB approved to adoption of ISO 31000's Framework as the ERM Framework for the VPD, which consists of the following elements:

- Leadership and Commitment
- Design
- Implementation
- Evaluation
- Improvement
- Integration

The following is a high-level summary of progress to-date on each of the Framework's elements:

**Leadership and Commitment**

The VPB and the VPD actively support risk management initiatives, ensuring alignment with organizational objectives, and fostering a risk-aware culture. A critical step towards achieving these, and consistent with the Standard, the VPB and VPD have committed to the development, implementation, and continuous improvement of ERM at the VPD. The VPB has formally added ERM as a focus of reporting by the VPD to the Committee. The VPD has created the ERM Section, which is organizationally situated within the VPD's Strategy and Innovation Division.

**Design**

Organizations must tailor ISO 31000 to their unique needs, creating a risk appetite statement (RAS), and ERM Categories. The Board-approved RAS for the VPD is:

*The Vancouver Police Department (VPD) is dedicated to ensuring the safety and security of Vancouver. The VPD acknowledges the inherent and dynamic nature of policing and the importance of*

throughout the Department.

*adapting to evolving risks and challenges. Our risk appetite prioritizes proactive enterprise risk management best practices for operational, financial, strategic, legal, public trust, and technological risks. Our risk appetite underscores the importance of continuous learning to enhance the effectiveness and efficiency of the VPD in achieving its strategic goals and delivering on our core public safety responsibilities.*

The following are the VPB-approved ERM Categories:

- Operational – risks arising from the performance of policing duties
- Financial – risks arising from events that place a significant strain, or will have a significant impact, on the financial resources of the VPD
- Strategic – risks arising from broader geo-political, socio-economic, demographic, or natural emergency events
- Legal and Regulatory – risks arising from legislation, regulation, standards, case law, contract, or agreement
- Public Trust – risks arising from any practice, act, or omission that may affect the public's trust of the VPD or damage the VPD's reputation
- Technological – risks arising from emerging technological developments or threats to VPD technological infrastructure
- Human Capital – risks arising from events or circumstances that significantly affects the VPD's ability to recruit, train, deploy, and retain staff, and/or risks that compromise the collective health and wellness of staff

In addition to the creation of the ERM Section, an important foundational piece was the VPB's approval of an ERM Policy and Procedure. The policy does assign responsibilities to the VPD's ERM Section and to Risk Owners and the policy's stated aim is the "the successful management and mitigation of enterprise risk is an

important factor in effectively and efficiently achieving the VPD's strategic priorities and delivering the VPD's core public safety responsibilities, while building on public trust.”

**Evaluation & Improvement**

Given the relative infancy of the VPD's ERM program, these two elements are best discussed together. Organizations must track the effectiveness of their risk management practices, refine them as needed, and adapt to changing risks. These achievement of these elements are part of a long-term, on-going process that reflects a more mature ERM program.

The VPD is very well positioned to risk assess any individual risk and implements risk treatment strategies. This is due to a data-rich environment combined with the skills of the Planning, Research, and Audit Section and the Financial Services Section (amongst others). These elements also refer to the evaluation and improvement of the ERM program, and such evaluations are dependent on the continued development and maturation of the ERM program and on increasing the capacity of the ERM Section.

**Integration**

To make progress towards achieving this element, the ERM Section reviews all reports that go to the VPD Executive and most reports that go to the VPB, as well as actively participating on the VPD's Senior Leadership Team and the Committee. These processes cover the breadth of strategic issues for the VPD, along with potential and current enterprise risks. Daily, the ERM Section meets and/or discusses with other VPD Sections that are needed to assess and respond to enterprise risks. These Sections include Financial Services, Planning, Research, and Audit Services, and Information and Privacy Services.

		<p>Also, on a multitude of topics, the ERM Section is involved in (but is not limited to):</p> <ul style="list-style-type: none"> <li>• Proposed new policy or revisions to existing policy;</li> <li>• The VPD's 2025 Strategic Business Plan;</li> <li>• Proposed re-allocations of human resources;</li> <li>• Financial and budgetary matters;</li> <li>• Evaluation of programs or projects;</li> <li>• VPB Regular and In-camera meetings;</li> <li>• VPB Committee meetings;</li> <li>• Meeting with VPD Section managers to provide risk management advice;</li> <li>• Reviewing Memoranda of Understanding and other agreements;</li> <li>• Liaising with City of Vancouver Risk Management to ensure insurance requirements are met; and,</li> <li>• Liaising with City of Vancouver Legal Services for advice on indemnification or hold-harmless language in agreements (when required).</li> </ul>
<p><b>Recommendation 7</b></p> <p>The Vancouver Police Department should support the successful implementation of enterprise risk management by:</p> <ul style="list-style-type: none"> <li>• Ensuring it has sufficient resources, expertise and capacity to effectively develop, and implement enterprise risk management; and,</li> </ul>	<p style="text-align: center;"><b>Partially Implemented</b></p> <p style="text-align: center;"><i>previous status (Dec 2025):</i> <b>partially implemented</b></p>	<p>Awareness of the creation of the ERM Section continues to permeate throughout the VPD. For example, front-line staff enquire to seek guidance on numerous issues directly associated with liability and what controls are in place, or are required, to control liability risk. Such controls include confirming insurance requirements and coverage (with the City of Vancouver's Risk Management) for VPD community programs and events, and the need for waivers with the appropriate indemnification and hold-harmless language.</p> <p>Supervisors and senior managers seek guidance on operational issues that are more oriented towards enterprise risk, such as what</p>

- Exploring training opportunities for senior leaders and other relevant Department personnel to ensure there is a consistent vision for what enterprise risk management can bring and commitment to its implementation throughout the Department.

enterprise risks should they be aware of when considering an operational or investigative plan towards a public safety issue.

ERM education and awareness efforts have been focused on the VPD's Senior Leadership Team. A training session on ERM was delivered to the VPD's Senior Leadership Team on March 12, 2025. This session included the following learning points:

- Defining risk, enterprise risk, and ERM;
- ERM Categories;
- The Standard's Risk Management Process, specifically:
  - Risk Identification;
  - Risk Analysis;
  - Risk Evaluation;
  - Risk Treatment;
- Case studies;
- Introduction to the VPD's Enterprise Risk Register;
- Introduction to the concept of Risk Owners;
- Role of the VPB; and
- Who to contact if you have a concern about a risk.

On October 2, 2025, ERM was part of the curriculum of the Inspector's Professional Development training day. Training and education sessions will be an on-going necessity that will have to be delivered to new senior managers and refreshers to existing managers. Risk Owners have been identified for all the VPD's Enterprise Risks and meetings will be held with each of them after the conclusion of FIFAWC26.

**Recommendation 8**

The Vancouver Police Department should develop a risk register that includes:

- Risks identified by internal and external stakeholders during its strategic planning sessions and facilitated unit-level risk assessment sessions;
- Risks identified at Vancouver Police Board planning sessions and risk assessments conducted at these sessions;
- Assignment of identified risks into categories to ensure that risks affecting similar functions, units and areas are clearly flagged to highlight areas of focus;
- Units and individuals that are accountable for and contribute to the management of individual risk items;
- Documentation on the effectiveness of risk treatments; and,
- Risk thresholds, as developed with the Board.

**Partially Implemented**

*previous status (Dec 2025):*  
**partially implemented**

As previously reported, the VPD has developed a Register which has most of the fundamentals required of ERM risk registers and the VPD acknowledged the OAG's advice in terms of how it can be improved. In previous interviews with the OAG's staff, the VPD agrees with their opinion that a fully complete and mature ERM Register takes years to develop and implement.

On November 20, 2025, the VPB approved the VPD's Enterprise Risk Register. The VPB was introduced to the Register, and its contents, on April 10, 2025, as part of a joint VPB-VPD Executive workshop on ERM.

On May 31, 2026, the VPB was introduced to a revamped VPD Enterprise Risk Register that better reflects current enterprise risks facing the VPD. This was part of an 'Orientation to ERM at the VPD' training component for new and current VPB Directors. The revamped Enterprise Risk Register captures the ERM fundamentals of:

- The type of enterprise risk, its description, and its enterprise risk category;
- The inherent risk score for the enterprise risk;
- The residual risk score for the enterprise risk;
- The enterprise risk's enacted date and updated date;
- The enterprise Risk Owner;
- A detailed listing and description of risk treatments in place; and
- A Key Risk Indicator.

On June 4, 2026, the Committee discussed the new VPD Enterprise Risk Register and provided feedback, which has been incorporated. The Register will be tabled at the VPB's In-camera meeting of September 17, 2026, for discussion and approval.

		<p>Between June and October of this year, the ERM Section will meet with each Risk Owner to reinforce the importance of integrating ERM into their day-to-day work on an ongoing basis by identifying any new gaps or emerging issues in relation to their respective enterprise risk and recording any risk treatment actions taken. These updates will be added to each enterprise risk's individual register and will be provided to the Committee at its October 22, 2026, meeting.</p>
<p><b>Recommendation 9</b></p> <p>The Vancouver Police Department should use enterprise risk management assessments to help set objectives, make strategic decisions and allocate resources.</p>	<div style="border: 1px solid #ccc; border-radius: 10px; background-color: #e6f2ff; padding: 10px; text-align: center;"> <p><b>Partially Implemented</b></p> <p><i>previous status (Dec 2025):</i> <b>partially implemented</b></p> </div>	<p>The VPD's current Strategic Plan concludes at the end of 2026 and ERM considerations will be a notable part of the development of the new Strategic Plan and whatever that Plan's Strategic Goals are.</p>

## Outstanding Recommendations

# Audit of Park Board Revenue Management

### Management's General Comments

The status of remaining actionable recommendations has not changed since the December 2025 progress update. Financial resources and capacity remain a challenge for completing the significant work required to fully or substantially implement these actions which occurs during active planning periods for Capital Planning, FIFA, and a busy season operationally.

Some recommendations and actions for revenue generating service lines operating in facilities are also captured within the subsequent Audit of Recreation Facilities Asset management (Facilities Audit).

Staff continue to utilize completed work to guide processes and incorporate into existing work plans, where possible, for more effective delivery of revenue generating services.

### Report Overview

**Progress as at:**

June 25, 2026

**Follow-Up Round:**

Five

**Audit report release date:**

[November 7, 2023](#)

**Presented to the Auditor  
General Committee:**

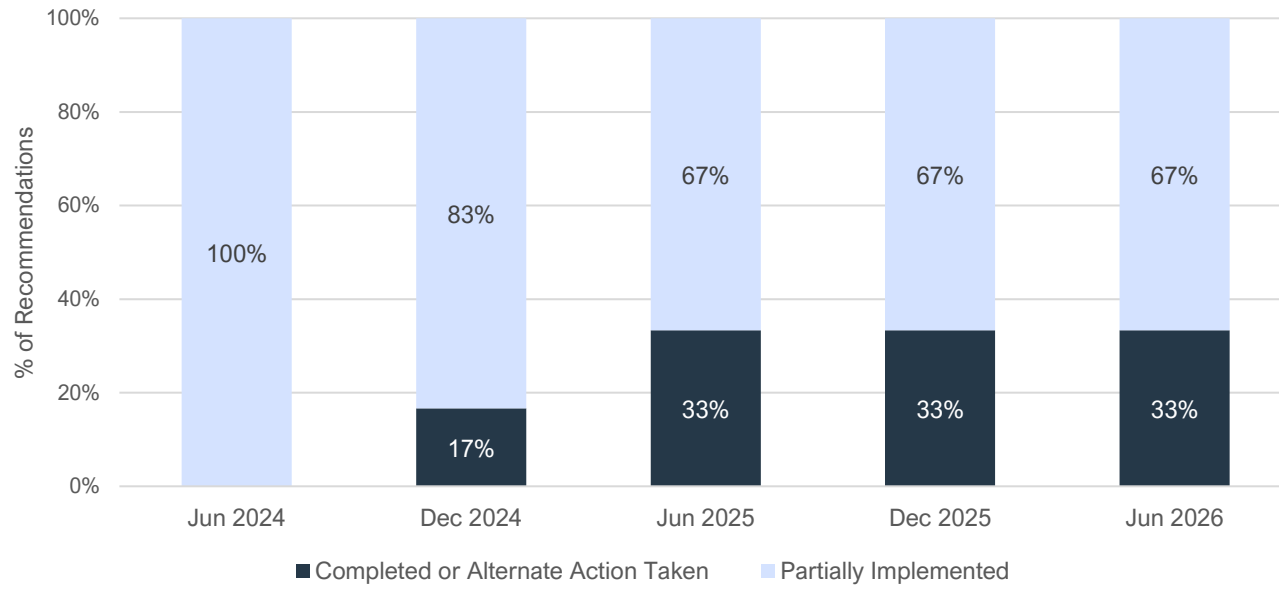
[December 7, 2023](#)

**Self-assessment conducted  
by:**

- Vancouver Board of  
Parks and Recreation

**Figure 6**

June 2026 implementation status of recommendations made in the Audit of Park Board Revenue Management report



## Outstanding Audit Recommendations

Recommendations	Status (June 2026)	Actions taken, results and/or actions planned
<p><b>Recommendation 2</b></p> <p>For revenue-generating service areas, the Park Board should define and document service delivery objectives to guide operational decision-making and future investment. Plans should provide short to medium-term outlooks for service areas and be regularly reviewed and updated.</p>	<p><b>Partially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>Service delivery objectives for Bloedel conservatory, paid parking, and golf services are being implemented and tested through pilot and initial projects and tracked for future review and update.</p> <p>Definition and documentation of objectives for additional services lines are being considered through ongoing project delivery, where supported by identified funding and resources.</p>
<p><b>Recommendation 4</b></p> <p>The Park Board should incorporate in its updated fee-setting framework an evaluation of full costs for each service area to strengthen the correlation between fees charged and the underlying costs, and define the types of costs it intends to recover through its fees.</p>	<p><b>Partially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>Full costing remains a significant exercise not currently supported by available resources and capacity.</p> <p>Costing of service delivery for revenue generating facilities is also contemplated through actions responding to the Auditor General's recommendations in the Facilities Audit.</p>
<p><b>Recommendation 5</b></p> <p>The Park Board should define performance metrics for all revenue-generating service areas to enable monitoring and tracking</p>	<p><b>Partially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>Definition of performance metrics has not expanded to additional revenue-generating service areas due to lack of dedicated resources.</p>

<p>of progress toward service delivery, revenue objectives and overall strategies. Performance metrics should:</p> <ul style="list-style-type: none"> <li>• Be meaningfully designed to align with the performance and strategic objectives of the service area;</li> <li>• Have defined targets with timeframes for completion;</li> <li>• Have defined intervals and audiences for reporting;</li> <li>• Include up-to-date documented procedures for calculation; and,</li> <li>• Include a process to ensure that performance metrics are accurately calculated.</li> </ul>		<p>Targets for facilities with revenue-generating services are captured by actions relating to performance measuring and monitoring recommended through the Facilities Audit.</p>
<p><b>Recommendation 6</b></p> <p>The Park Board should report on actual revenues versus expenditures including all relevant costs to track the achievement of revenue objectives by service areas.</p>	<p style="text-align: center;"><b>Partially Implemented</b></p> <p style="text-align: center;"><i>previous status (Dec 2025):</i> <b>partially implemented</b></p>	<p>Park Board staff continue to review actual results against budget targets, including revenue by service line, as part of the quarterly financial review process.</p> <p>As above, calculating and tracking all relevant costs for revenue generating service lines is limited by available resources and considered within the Facilities Audit for services operating out of those assets.</p>

# Outstanding Recommendations

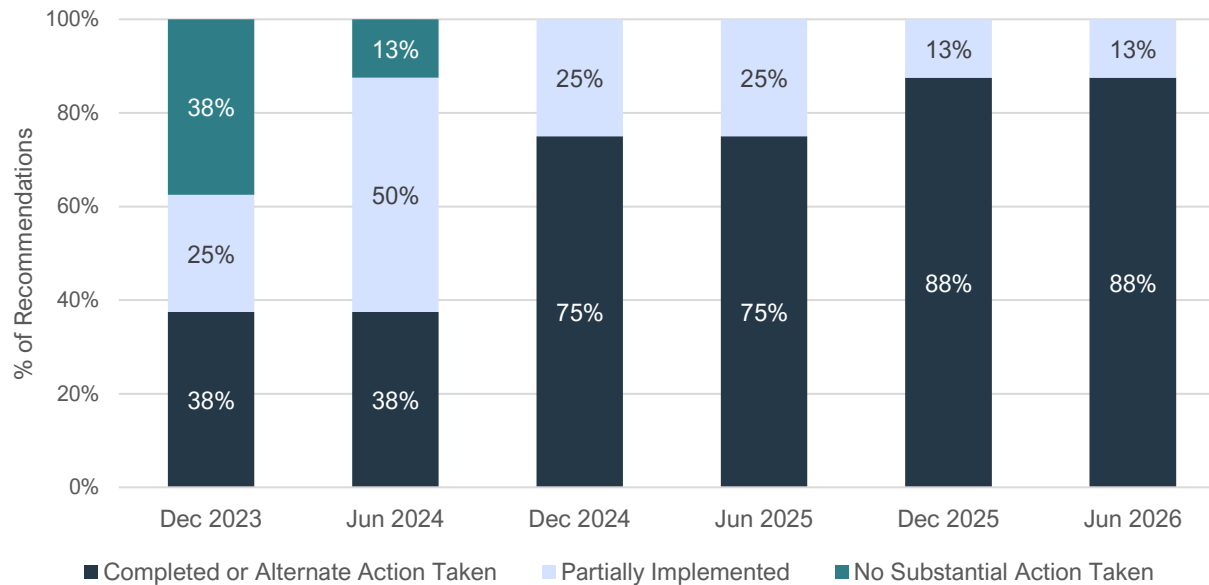
## Audit of the Permitting Program Cost Recovery Model

### Management's General Comments

Of the eight audit recommendations, one is still in progress. Future audit reports will provide updates on the progress of specific projects linked to implementing this recommendation.

**Figure 7**

June 2026 implementation status of recommendations made in the Audit of the Permitting Program Cost Recovery Model report



### Report Overview

**Progress as at:**

June 25, 2026

**Follow-Up Round:**

Six

**Audit report release date:**

[May 25, 2023](#)

**Presented to the Auditor General Committee:**

[June 1, 2023](#)

**Self-assessment conducted by:**

- Finance & Supply Chain Management

## Outstanding Audit Recommendation

Recommendation	Status (June 2026)	Actions taken, results and/or actions planned
<p><b>Recommendation 4</b></p> <p>The City should annually calculate the projected cost of unprocessed permit applications and compare it to the deferred revenue balance. The City should develop a plan to address the surplus or deficit revealed by this comparison.</p>	<p><b>Partially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>Development, Building &amp; Licensing (DBL) and Planning, Urban Design &amp; Sustainability (PDS) have conducted a holistic review of all unprocessed permit. Most of these applications remain pending due to actions required from applicants, such as completion of work and call for inspections, which are largely driven by applicants and staff have limited control. Some permits have been stalled by applicants for more than 8 years which increased administrative costs. In response, staff are proactively contacting applicants to cancel inactive applications and expedite stagnant ones, with the goal of reducing administrative costs. Additionally, staff are exploring the feasibility of introducing an administrative fee for permits that remain inactive for extended periods as a consideration for the 2027 fee setting process, to improve cost recovery and offset the costs of prolonged processing. These initiatives will enable a more precise forecast on time and cost needed to work on unprocessed permit applications that can be used for direct comparison with the deferred revenue balance. Staff will provide further updates on this item on future follow-ups.</p>

## Outstanding Recommendations

# Audit of Office Furniture Purchases

### Management's General Comments

The successful proponent for the RFP to review the City's current furniture guidelines, develop new Furniture, Fixtures and Equipment (FF&E) specifications, and create guidelines for reassessing office furniture to ensure best value was awarded to Nhan Pham Interior Design (NPID) on March 14, 2024.

As part of the deliverables, NPID is supporting the Request for Applications (RFA) process for furniture vendor quotations and Furniture Fitting and Equipment (FF&E) outline specifications. This includes thoroughly vetting submissions for compliance and comparing vendor proposals to guide the City in achieving best value for future office furniture and equipment purchases.

Evaluation of the RFA submissions is now complete. This process included an assessment by an internal evaluation committee and the consultant, as well as in-person product testing and assessment submitted by the vendors.

A report to the Bid Committee is currently being finalized, with Bid Committee review schedule for June 25, 2026, followed by Council review on July 29, 2026. Subject to approval, new master service agreements will be established to support furniture procurement across the organization.

### Report Overview

**Progress as at:**

June 25, 2026

**Follow-Up Round:**

Six

**Audit report release date:**

[February 22, 2023](#)

**Presented to the Auditor  
General Committee:**

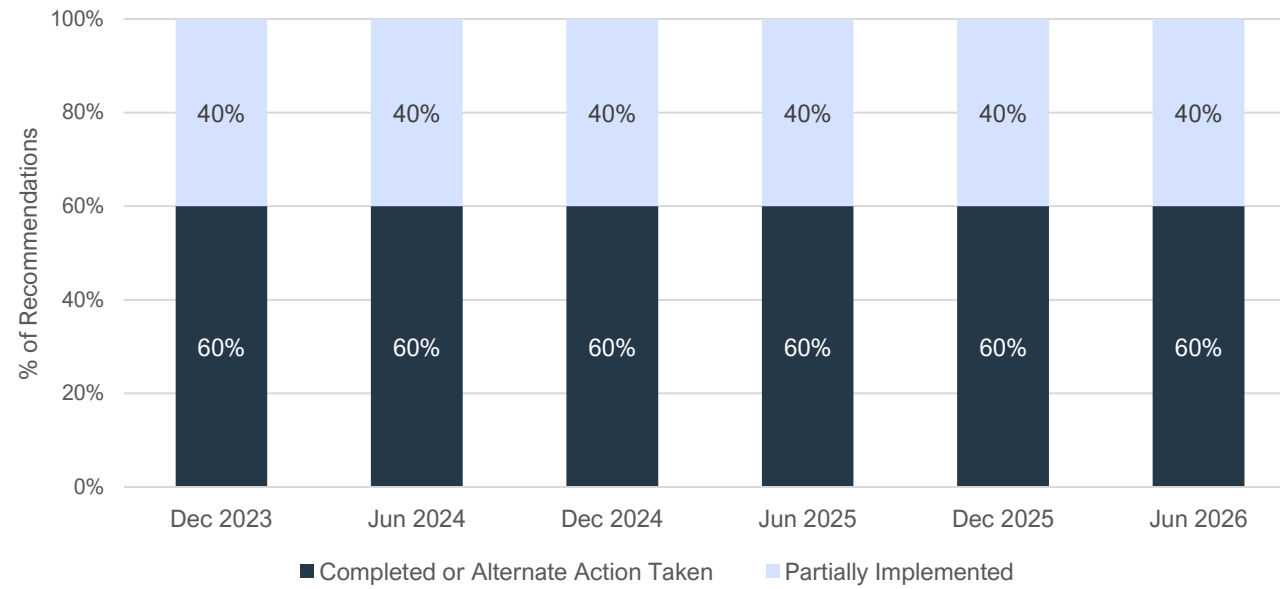
[March 2, 2023](#)

**Joint self-assessment  
conducted by:**

- Real Estate,  
Environment & Facilities  
Management
- Finance & Supply Chain  
Management

**Figure 8**

June 2026 implementation status of recommendations made in the Audit of Office Furniture Purchases report



## Outstanding Audit Recommendations

Recommendations	Status (June 2026)	Actions taken, results and/or actions planned
<p><b>Recommendation 4</b></p> <p>The Real Estate and Facilities Management department should develop guidelines on when and how often to conduct assessments and reassessments on office furniture items and systems to ensure best value. The guidelines should require consideration of new and evolving information relating to factors such as the City's needs, ergonomics, quality and pricing; including their relative impacts in a weighted evaluation process. Additionally, the Real Estate and Facilities Management department should ensure adequate documentation linking assessments to decisions is developed and retained.</p>	<p><b>Partially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>Request for Applications (RFA) for furniture procurement is underway and upon council approval July 29, 2026 award to the suppliers will be issued. This RFA will develop guidelines on when and how often to conduct assessments and reassessment on office furniture items and produce best value through a weighted evaluation. The RFA tender has closed, with the evaluation now complete.</p> <ul style="list-style-type: none"> <li>• The RFA will produce an Ergonomic and Furniture Fitting and Equipment (FF&amp;E) Purchasing Guideline.</li> <li>• All furniture suppliers have been assessed based on their compliance with our furniture specifications and pricing.</li> </ul>
<p><b>Recommendation 5</b></p> <p>The Real Estate and Facilities Management department should continue to build upon existing processes and establish price lists in supply agreements for</p>	<p><b>Partially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>The Request for Applications (RFA) will build processes and establish price lists in supply agreements for commonly purchased office furniture items.</p>

<p>commonly purchased office furniture items, including new furniture items. In addition, guidelines with reasonable price ranges for specific furniture types should inform these price lists.</p>		<p>When procuring office furniture, a Request for Quote (RFQ) will be issued to vendors on the pre-qualification list, requesting pricing that will be compared to the benchmark price list established in the RFA.</p> <p>To maintain flexibility, the RFA vendor pre-qualification list will be re-opened on a three-year to review evaluation criteria and provide opportunities for new vendors to participate.</p>
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## Outstanding Recommendations

# Audit of Building Permit Fees

### Management's General Comments

The previous analysis of Building Permits processed between January 1, 2024 and June 30, 2024 determined both a high variability and significant overall permit revenue shortfall when comparing fees using the existing by-law standard of declared project value with the proposed Service Index values as noted in other provincial jurisdictions.

We have researched alternate options and have chosen to validate project cost value by using an industry standard third-party construction cost data tool as part of our plan review processes. This will also include enhancing our digital application services with these standards.

This outcome will still provide applicants with more transparency around fees, without being influenced by construction trade pricing, and help us to better forecast our revenue. The City will still have the ability to adjust the project value range assumptions for certain building typologies to be more responsive to market demand, building code amendments and construction innovations.

### Report Overview

**Progress as at:**

June 25, 2026

**Follow-Up Round:**

Six

**Audit report release date:**

[January 25, 2023](#)

**Presented to the Auditor  
General Committee:**

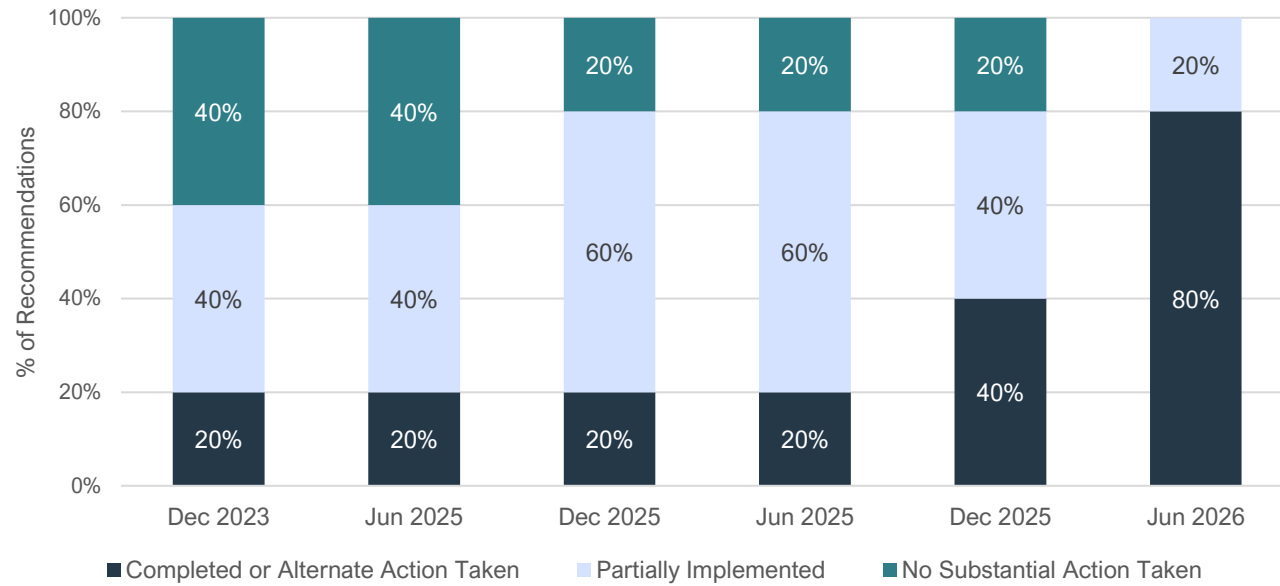
[February 2, 2023](#)

**Self-assessment conducted  
by:**

- Development, Buildings & Licensing

**Figure 9**

June 2026 implementation status of recommendations made in the Audit of Building Permit Fees report



## Outstanding Audit Recommendations

Recommendations	Status (June 2026)	Actions taken, results and/or actions planned
<p><b>Recommendation 1</b></p> <p>The Development, Buildings and Licensing department should address discrepancies between the <i>Building By-law</i> and the administrative design of the City of Vancouver’s building permit fee assessment process by either:</p> <ul style="list-style-type: none"> <li>• Redesigning processes to more explicitly comply with the <i>Building By-law</i> and address risk of under-charging or over-charging fees; or,</li> <li>• Researching and recommending to Council amendments to the <i>Building By-law</i> to include a different method for charging building permit fees that is consistent, reliable, equitable and more efficient than using the value of the proposed work submitted by applicants as a basis for charging fees, taking the following into consideration:</li> </ul>	<p><b>Fully or Substantially Implemented</b></p> <p><i>previous status (Dec 2025): partially implemented</i></p>	<p>The previous analysis of Building Permits processed between January 1, 2024 and June 30, 2024 determined both a high variability and significant overall permit revenue shortfall when comparing fees using the existing by-law standard of declared project value with the proposed Service Index values as noted in other provincial jurisdictions.</p> <p>Further addressing these risks would require comprehensive data analysis of a wide range of previous projects to determine Service Index values, and the data required for this exercise is not readily accessible or reliable. Therefore, while we believe the Service Index model to be a consistent, reliable and equitable model for determining Building Permit fees, we are looking instead to address the audit recommendations by enhancing processes to include validations of the declared project value against industry standard construction cost tools specific to Vancouver.</p> <p>The results of a previous jurisdictional scan of cities within Metro Vancouver show this practice exists in different forms to address risks related to under charging of Building Permit fees.</p> <p>We have researched alternate options and have chosen to validate project cost value by using an industry standard third-party construction cost data tool as part of our plan review processes. This will also include enhancing our digital application services with these standards.</p>

- The alignment of the selected method with the purpose of charging fees in order to recover the full cost of providing the service of issuing permits; and,
- Developing a transparent method for calculating fees that can be consistently and accurately applied, with administrative efficiency (which may be unique to different types of buildings).

**Recommendation 2**

The Development, Buildings and Licensing department should develop written guidelines or standard operating procedures for staff to follow when administering processes to determine building permit fees and provide training to staff on the procedures.

**Partially Implemented**

*previous status (Dec 2025):*  
**partially implemented**

We have now selected an industry standard third-party construction cost data tool to validate project value and will be building out training and standard operating procedures for the staff team. Target for completion is Q4 2026.

**Recommendation 5**

The Building Review Branch should review the value of the proposed work submitted for projects that have provided estimates during rezoning applications (for Community Amenity Contribution requirements) to determine if they would assist in assessing the reasonability of the values provided in building permit applications.

**Fully or Substantially Implemented**

*previous status (Dec 2025):  
no substantial action taken*

The validation of the declared project value using third party construction cost data delivered as part of Recommendation 1 can be leveraged to validate estimates provided for rezoning applications. We must acknowledge that the time difference between a rezoning application and a building permit application could impact any previous validations of project value.