

# AGLG

September 20, 2018

## AGLG Update

IIA – Vancouver Island Chapter, Victoria

ACCESSIBILITY ● INDEPENDENCE ● TRANSPARENCY ● PERFORMANCE

# PRESENTATION OUTLINE



AUDITOR GENERAL FOR  
LOCAL GOVERNMENT

- **MANDATE AND PURPOSE OF AGLG**
  - Vision and Our Commitment
  - Work to date – Things we found
  - Current Audit Topics
  
- **Emergency Management and Business Continuity**
  - Learnings to date
  
- **Clean Drinking Water**
  - Learnings to date
  
- **Future Audit work**
  
- **Questions?**

# AGLG ACT ENABLES THE OFFICE



AUDITOR GENERAL FOR  
LOCAL GOVERNMENT

## Mandate

- Conduct performance audits of local government operations

## Potential Auditees

- 161 municipalities, 27 regional districts, and 2 greater boards

## Purpose

- Provide local governments with objective information and relevant advice that will assist them in their accountability to their communities for the stewardship of public assets and the achievement of value for money in their operations

## Practices

- Conduct audits according to CPA Canada assurance standards



## ➤ Oversight by Audit Council

Advisors

Provide input and guidance

Currently five members with diverse backgrounds

Completes performance review of AGLG

## ➤ AGLG Act

Authority

Substantive Autonomy from Government

# VISION AND OUR COMMITMENT



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## OUR VISION

**TO BE A VALUABLE  
RESOURCE FOR LOCAL  
GOVERNMENTS AND  
OTHER STAKEHOLDERS**

## OUR COMMITMENT

**TO WORK  
COLLABORATIVELY  
WITH LOCAL  
GOVERNMENTS**

# REPORTING



**AUDITOR GENERAL FOR  
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## OUR REPORTS

### Achieving Value for Money in Operational Procurement

City of Revelstoke  
Regional District of Fraser-Fort George  
District of West Vancouver  
Comox Valley Regional District  
City of Vernon  
Corporation of Delta

### Emergency Management in Local Governments

Town of Sidney

### Learnings from Local Government Capital Procurement Projects and Asset Management Programs

City of Cranbrook  
City of Campbell River  
District of North Vancouver  
City of Dawson Creek  
District of Sechelt  
City of Rossland (Part 1 of 2)  
City of Rossland (Part 2 of 2)

### Local Government Performance in Managing Policing Agreements and Police Budget Oversight

City of Williams Lake  
City of New Westminster  
City of Port Alberni  
City of Merritt  
City of Surrey

### Local Government's Role in Ensuring Clean Drinking Water

City of Kelowna  
Regional District of Okanagan-Similkameen

### Managing the Inherent Risks of Limited Human Resources within Small Local Governments

District of Tofino  
District of Port Edward  
City of Fernie  
City of Nelson

District of Squamish

### Perspective Series Booklets

Improving Local Government Emergency Management  
Improving Local Government Procurement Processes  
Policing Services Performance Assessment  
Asset Management for Local Governments  
Oversight of Capital Project Planning & Procurement

## IN PROGRESS

- Drinking Water Perspective Series Booklet s
- Water - Performance Audit Township of Langley
- Emergency Management – Capital Regional District
- Emergency Management- District of Mission

# THINGS WE FOUND...



## OPERATIONAL PROCUREMENT

- Gaps in policies & procedures.
- Improvements needed in conflict of interest policies.
- Lack of reporting on key performance indicators.
- Efforts to obtain best value were demonstrated in all local governments, but to varying degrees.

## POLICING OVERSIGHT

- Reasonable levels of understanding/awareness of the 2012 Municipal Police Unit Agreement or the Police Act in 4 of 5 Local Governments (LG's).
- Opportunities exist to strengthen planning, priority setting & performance measurement in all 5 LG's.
- Cost containment opportunities for all 5 LG's.
- Good communication & positive working relationships between LG's and Police Services.

# THINGS WE FOUND...



## CAPITAL PROCUREMENT/ASSET MANAGEMENT

- Opportunities to improve oversight & information for decision-making (3 of 5 LG's) with regard to capital project risks, financing and delegation of authority.
- Business case including capital needs, alternatives and risks for significant projects (3 of 5 LG's).
- Recommendations on developing systematic approach to capital planning asset management, including an organization-wide capital asset management plan and long-term (>5 years) financial planning for capital investments (2 of 5 LG's).
- Opportunities in 3 LG's to develop a plan to ensure the availability of adequately trained staff to direct & undertake asset management activities.



# THINGS WE FOUND...



## INHERENT HR RISKS WITHIN SMALL LOCAL GOVERNMENTS

### **HR Planning**

- longer range planning needed
- develop succession plans for mission critical roles
- Update job descriptions

### **HR Management**

- add more structure to HR practices
- ensure occupational health and safety program compliance
- promote conflict of interest awareness and understanding
- improve documentation practices

### **HR Administration**

- review policies and procedures and address key gaps and accessible to staff
- identify a few, meaningful HR indicators and use them to enhance HR practices

# AGLG NOW AUDITING TWO TOPICS



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- **Drinking Water:** Local Government's Role in Ensuring Clean Drinking Water
  - RDOS - *completed*
  - City of Kelowna – *completed*
  - Township of Langley - *underway*
  - Anticipate booklets on this topic – *anticipate release shortly*
  
- **Emergency Preparedness & Business Continuity:** Emergency Management in Local Governments
  - Town of Sidney - *completed*
  - Capital Regional District – *release expected shortly*
  - District of Mission & Fraser Valley Regional District – *started/planned*
  - Emergency Management Perspectives booklet – *completed*



**AGLG**

AUDIT REPORT  
MARCH 2018

# EMERGENCY MANAGEMENT IN

## LOCAL GOVERNMENTS TOWN OF SIDNEY

An independent assurance audit carried out by the  
Auditor General for Local Government of British Columbia





**AGLG**

PERSPECTIVE SERIES  
APRIL 2018



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ACCESSIBILITY · INDEPENDENCE · TRANSPARENCY · PERFORMANCE

IMPROVING LOCAL GOVERNMENT

## EMERGENCY MANAGEMENT

Considerations for Local Government  
Council and Board Members



RELATING TO AGLG AUDIT TOPICS:

Local Government's Role in Ensuring Clean Drinking Water  
Emergency Management in Local Government

# EMERGENCY MANAGEMENT PERSPECTIVES BOOKLET



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## ► During our audit work, we learned that local governments face some of these challenges:

- Lack a strategic approach to emergency management and organization-wide business continuity planning
- Did not regularly update, test or make their water system emergency response plans available to staff
- Did not have business continuity planning completed for critical services including drinking water
- Focus on some aspects of emergency management, but with little emphasis on recovery and resilience
- Lack knowledge of procedures or roles and responsibilities of various parties involved
- Do not recognize the impact of emergencies and recovery on other vital systems (e.g. IT) and impact on critical services like drinking water



# EMERGENCY MANAGEMENT PERSPECTIVES BOOKLET – HIGHLIGHTS



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## ➤ A snapshot of the contents...

### UNDERSTANDING THE EMERGENCY MANAGEMENT FRAMEWORK

WHAT IS EMERGENCY MANAGEMENT AND WHY IS IT IMPORTANT?

EMERGENCY MANAGEMENT FRAMEWORK

EMERGENCY MANAGEMENT PROGRAM

WHAT IS RESILIENCE AND HOW DOES IT RELATE TO EMERGENCY MANAGEMENT?

WHY IS IT IMPORTANT FOR LOCAL GOVERNMENTS TO FOSTER RESILIENCE IN THEIR COMMUNITIES?

### RESPONSIBILITIES IN EMERGENCY MANAGEMENT

WHAT IS THE ROLE OF ELECTED OFFICIALS?

WHO SHOULD BE INVOLVED IN EMERGENCY MANAGEMENT?

HOW DOES A LOCAL GOVERNMENT DETERMINE WHO IS RESPONSIBLE FOR WHAT IN THE EMERGENCY MANAGEMENT ORGANIZATION?

WHY SHOULD EMERGENCY MANAGEMENT BE INTEGRATED ACROSS LOCAL GOVERNMENT DEPARTMENTS?

WHY ARE INTER-AGENCY RELATIONSHIPS IMPORTANT TO EMERGENCY MANAGEMENT?

WHY IS IT IMPORTANT TO INVOLVE EMERGENCY MANAGEMENT AND DRINKING WATER DEPARTMENTS IN THE DEVELOPMENT OF EMERGENCY PLANS?

*Resilience in Communities*

*Roles & Responsibilities*

*Integration &  
Inter-agency Relationships*

*Resilient Programs and Plans*

*Importance of Training Staff &  
Testing Plans*

*Leverage Financial Resources*

### HOW PREPARED IS YOUR LOCAL GOVERNMENT TO HANDLE AN EMERGENCY?

DOES YOUR LOCAL GOVERNMENT HAVE A RESILIENT EMERGENCY MANAGEMENT PROGRAM?

DOES YOUR LOCAL GOVERNMENT HAVE A BUSINESS CONTINUITY PLAN?

DOES YOUR LOCAL GOVERNMENT HAVE AN ALTERNATIVE DRINKING WATER SUPPLY IN CASE OF AN EMERGENCY?

HOW DOES A LOCAL GOVERNMENT'S ASSET MANAGEMENT PLAN ASSIST IN EMERGENCY PLANNING?

DOES YOUR LOCAL GOVERNMENT HAVE A ROBUST COMMUNICATIONS PLAN?

WHY IT IS IMPORTANT TO TRAIN STAFF IN EMERGENCY RESPONSE PROCEDURES?

WHY IT IS IMPORTANT TO PRACTISE EMERGENCY RESPONSE PROCEDURES REGULARLY?

DOES YOUR LOCAL GOVERNMENT HAVE AN ADEQUATE RECORD KEEPING SYSTEM?

HOW CAN A LOCAL GOVERNMENT PREPARE TO FINANCIALLY SURVIVE AN EMERGENCY?

HAS YOUR LOCAL GOVERNMENT ESTABLISHED AN EMERGENCY OPERATIONS OPERATING BUDGET?

HAS YOUR LOCAL GOVERNMENT ESTABLISHED AN EMERGENCY RESERVE?

DOES YOUR LOCAL GOVERNMENT HAVE ADEQUATE INSURANCE?

WHAT PROVINCIAL RESOURCES ARE AVAILABLE TO SUPPORT EMERGENCY PREPAREDNESS?

WHAT FEDERAL RESOURCES ARE AVAILABLE TO SUPPORT EMERGENCY PREPAREDNESS?

EMERGENCY MANAGEMENT AND DRINKING WATER RESOURCES



# LOCAL GOVERNMENT'S ROLE IN ENSURING CLEAN DRINKING WATER



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## ► Why this topic?

- The well-being of every British Columbian— and every B.C. community—depends on access to clean drinking water
- For many of us our local government provides our drinking water
- 2016 Engagement/Audit Planning process also identified this as an area of risk and an audit topic of value

WATER CONSUMERS TYPICALLY EXPECT THAT  
DRINKING WATER:



IS AVAILABLE 24 HOURS PER DAY



IS FREE OF PATHOGENS  
AND TOXIC CHEMICALS



IS FREE OF OBJECTIONABLE  
TASTES AND ODOURS



IS DELIVERED WITH  
ADEQUATE PRESSURE  
AT ALL TIMES



IS AVAILABLE IN SUFFICIENT  
VOLUME TO MEET  
DEMAND AT ALL TIMES

# WHY CLEAN DRINKING WATER IS IMPORTANT



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## surface water

Drinking water can come from reservoirs, lakes, rivers & streams



## ground water

Drinking water can also come from aquifers



Local services, agriculture and other businesses and industry that employ British Columbians also need a dependable supply of clean water to operate.

**20 to 50 liters**  
clean water per day per person

- DRINKING
- COOKING
- PERSONAL CARE

- AGRICULTURE
- BUSINESS/INDUSTRY
- LOCAL SERVICES

**900**  
Estimated **900 million** people globally face serious health consequences due to polluted drinking water

**599** notices were in effect across the province as of March 31, 2012

Access to clean drinking water depends on water providers acting appropriately at each stage of the process.

- source water protection
- drinking water systems
- drinking water quality management



# AGLG DRINKING WATER AUDITS IN THE MEDIA



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Kelowna posted April 13, 2018 by Josh Duncan

## Audit of Kelowna's Water Utility includes 15 recommendations

## Auditor General recommends improvements in water management at RDOS

MAY 30, 2017, 9:21 AM

FEATURED

## Auditor gives RDOS water systems passing grades, but finds lots of room for improvement

JOE FRIES Jun 4, 2017 0

## Public not properly consulted on city water plan: auditor

The Daily Courier 16 Apr 2018 By RON SEYMOUR

## Recommendations in Regional District drinking water audit could prove expensive

By *Steve Arstad*



# LOCAL GOVERNMENTS ROLE IN ENSURING CLEAN DRINKING WATER

## SUMMARY OF RECOMMENDATIONS SO FAR...

- Develop an asset management system to enable decisions based on asset conditions, full lifecycle costing and risk analysis
- Consider a full cost recovery approach for water services
- Introduce a performance management system
- Complete business continuity planning for critical services
- Ensure emergency response plans are updated regularly and tested
- Develop a water conservation policy/demand management strategy and ensure alignment with bylaws and compliance process
- Implement a formal routine maintenance and inspection program
- Improve on source water protection planning and mitigation

# AUDIT TOPICS 2018 FORWARD



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## **Potential Future Topics:**

- Asset Management and Project Management
- Fire Protection Services
- Liquid Waste and Sewage Treatment
- Housing Development, Affordable Housing and Homelessness
- Public Consultation and Engagement
- Procurement, Contract Management and Shared Services

# QUESTIONS?



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## CONNECT WITH US



The AGLG welcomes your feedback and comments.

WEB: [www.aglg.ca](http://www.aglg.ca)

EMAIL: [info@aglg.ca](mailto:info@aglg.ca)

PHONE: 604-930-7100

FAX: 604-930-7128

MAIL: 201-10470 152<sup>nd</sup> Street Surrey BC V3R 0Y3



Follow us on Twitter: @BC\_AGLG

