

AUDITOR GENERAL

Halifax Regional Municipality



Follow-up Review – 2024 Audits

Diversity and Inclusion
Enterprise Risk Management
Management of Business Continuity

October 2026

September 11, 2026

This **Follow-up Review – 2024 Audits**, completed under section 50(2) of the Halifax Regional Municipality Charter, is hereby submitted to the Audit and Finance Standing Committee of Regional Council.

Respectfully,

Original signed by

Andrew Atherton, CPA, CA
Auditor General
Halifax Regional Municipality

**AUDITOR
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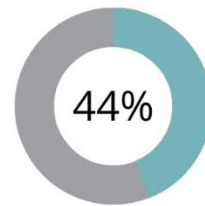
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Overall Follow-up Results

[INFOGRAPHIC IMAGE BELOW: This image depicts the overall result of this report.

- 44% overall recommendations completed, which is 14 of 32 recommendations
- Diversity & Inclusion Audit
 - 7 of 8 recommendations completed – 88% overall
 - Management has:
 - Provided guidance on implementing D&I framework
 - Provided guidance on developing, tracking and reporting D&I actions
 - Developed training process for new hires
 - Management needs to:
 - Develop process to ensure new hires complete mandatory training
- Enterprise Risk Management (ERM)
 - 4 of 14 recommendations completed – 29% overall
 - Management has provided:
 - Risk register guidance
 - Standardized operational risk process
 - Management needs to:
 - Review and update ERM framework
 - Clearly define roles and responsibilities
 - Develop policies and procedures
 - Assess effectiveness of controls
 - Monitor and report on performance
- Management of Business Continuity (BCP) Audit
 - 3 of 10 recommendations completed – 30% overall
 - Management has provided:
 - Updates to Emergency Management Committee
 - Guidance to business units
 - Management needs to:
 - Develop and maintain corporate BCP
 - Develop policies and procedures
 - Establish training program
 - Improve Regional Council reporting]

Follow-up Review – 2024 Audits



14 of 32
recommendations completed

Diversity & Inclusion 7 of 8

Management has:

- Provided guidance on implementing D&I framework
- Provided guidance on developing, tracking and reporting D&I actions
- Developed training process for new hires

Management needs to:

- Develop process to ensure new hires complete mandatory training

88%

Enterprise Risk Management (ERM) 4 of 14

29%

Management has provided:

- Risk register guidance
- Standardized operational risk process

Management needs to:

- Review and update ERM framework
- Clearly define roles and responsibilities
- Develop policies and procedures
- Assess effectiveness of controls
- Monitor and report on performance

Management of Business Continuity (BCP) 3 of 10

30%

Management has provided:

- Updates to Emergency Management Committee
- Guidance to business units

Management needs to:

- Develop and maintain corporate BCP
- Develop policies and procedures
- Establish training program
- Improve Regional Council reporting

Auditor General Halifax Regional Municipality
October 2026

Diversity and Inclusion – December 2024

Implementation Status by Recommendation

Recommendation	Business Unit	Status
1. The Office of Diversity & Inclusion should review and assess the frequency of diversity and inclusion overview training to determine if it can support training all new hires. If not, plans to address the gaps should be developed and implemented.	The Office of Diversity & Inclusion	✓
2. HRM should develop a process that helps ensure all new hires complete corporate or business-unit-specific mandatory diversity and inclusion training.	The Office of Diversity & Inclusion	✗
3. HRM should assign responsibility to oversee and monitor corporate implementation of the Diversity & Inclusion Framework.	The Office of Diversity & Inclusion	✓
4. HRM should implement a process to periodically assess ongoing work across the municipality under each framework goal and use this information to help manage and prioritize work accordingly.	The Office of Diversity & Inclusion	✓
5. HRM should define expectations for how business units document their diversity and inclusion actions and initiatives, including how they align with the corporate framework goals, and provide guidance to business units on implementation.	The Office of Diversity & Inclusion	✓
6. HRM should determine what level of reporting is required to monitor Diversity & Inclusion Framework implementation and provide business units with guidance on what information is required to support this process.	The Office of Diversity & Inclusion	✓
7. HRM should identify if there are opportunities to streamline annual reporting (number of reports, quality and quantity of information) on progress and performance towards the corporate Diversity & Inclusion Framework goals and provide business units with guidance on how to report on their diversity and inclusion efforts.	The Office of Diversity & Inclusion	✓

Recommendation	Business Unit	Status
8. HRM should determine what data is necessary to assess Diversity & Inclusion Framework progress and implement a process to regularly collect this data. This information should be collected and maintained by those responsible for oversight of the Diversity & Inclusion Framework.	The Office of Diversity & Inclusion	✓

*Legend: ✓ = Completed ✗ = Incomplete

Enterprise Risk Management – July 2024

Implementation Status by Recommendation

Recommendation	Business Unit	Status
1. Risk and Insurance should implement relevant policies and processes focused on risk management oversight responsibilities to help ensure required tasks are performed by all relevant parties.	Legal, Risk & Insurance Services	✗
2. Risk and Insurance should ensure there is periodic review of the Enterprise Risk Management program, and the result of the assessment is accurately reported to those charged with governance.	Legal, Risk & Insurance Services	✗
3. Risk and Insurance should ensure key roles and responsibilities are established, clearly defined, and communicated to all parties involved in the risk management process.	Legal, Risk & Insurance Services	✗
4. Risk and Insurance should review the current risk management framework, make relevant updates, and determine a schedule for periodic subsequent reviews.	Legal, Risk & Insurance Services	✗
5. Risk and Insurance should develop risk management policies and procedures to support the ERM Framework and provide guidance on risk management practices across HRM.	Legal, Risk & Insurance Services	✗
6. Risk and Insurance should ensure an appropriate risk identification process is incorporated in the risk management framework.	Legal, Risk & Insurance Services	✗
7. Risk and Insurance should work with all business units to ensure relevant, existing controls are documented and assessed for effectiveness.	Legal, Risk & Insurance Services	✗
8. Risk and Insurance should work with all business units to develop appropriate structured risk treatment plans and ensure risks remaining after treatment are periodically assessed and documented. Clear treatment approach should also be documented, and the risk register updated accordingly.	Legal, Risk & Insurance Services	✓

Recommendation	Business Unit	Status
9. Risk and insurance should ensure there is a documented process to measure enterprise risk management performance, including having specific monitoring and reporting plans for significant risks.	Legal, Risk & Insurance Services	×
10. HRM should ensure there is a standardized and consistent operational risk management process to ensure risks are appropriately identified and managed.	Legal, Risk & Insurance Services	✓
11. HRM should ensure the risk management processes include a requirement to monitor and report operational risks by all relevant parties.	Legal, Risk & Insurance Services	✓
12. HRM should ensure appropriate documentation and records are maintained for key operational risk management practices.	Legal, Risk & Insurance Services	✓
13. Risk and Insurance should develop an appropriate training program for the organization.	Legal, Risk & Insurance Services	×
14. Risk and Insurance should ensure risk management training is periodically offered to all HRM employees and elected officials. The training should be mandatory for all parties performing key risk management responsibilities.	Legal, Risk & Insurance Services	×

*Legend: ✓ = Completed × = Incomplete

Management of Business Continuity – July 2024

Implementation Status by Recommendation

Recommendation	Business Unit	Status
1. Community Safety management should develop and implement a corporate business continuity plan, including a corporate list of prioritized services.	Community Safety	✗
2. The Municipal Emergency Management Planning Committee should regularly monitor the status of HRM's business continuity management program and provide input and direction as appropriate.	Community Safety	✓
3. Community Safety management should develop and implement detailed plans and timelines to establish a business continuity management program.	Community Safety	✗
4. Community Safety management should develop, implement, and communicate business continuity policies and procedures, including plan development, review, testing and exercising, and training requirements.	Community Safety	✗
5. Community Safety management should develop and roll out guidance and training for business continuity for the organization.	Community Safety	✗
6. The Municipal Emergency Management Planning Committee should ensure HRM management provides periodic status updates on the business continuity program to Regional Council's Executive Standing Committee at specified intervals.	Community Safety	✗
7. Community Safety management should develop and implement a corporate business continuity exercise program to ensure corporate and business unit business continuity plans are tested and/or exercised appropriately. This should include ensuring the right staff and management are involved in exercises and lessons learned are documented and incorporated into plans in a timely manner.	Community Safety	✗

Recommendation	Business Unit	Status
8. Community Safety management should provide oversight to ensure business units are developing and updating their plans.	Community Safety	✓
9. HRM management should ensure business units complete business impact analyses, including revisiting them at planned intervals or when there has been a significant change that may impact it.	Community Safety	✓
10. HRM management should ensure business units develop and implement documented business continuity plans that address risks and priorities identified in their business impact analysis. This should include revisiting them at planned intervals or when there has been a significant change that may impact the plan.	Community Safety	✗

*Legend: ✓ = Completed ✗ = Incomplete

Background

The Office of the Auditor General, Halifax Regional Municipality, follows up audits previously reported by the office after 18 months. These follow-up reviews report the progress management had made implementing changes recommended by the Auditor General.

Objective and Scope

We completed a follow-up review of three reports released in 2024.

- Diversity and Inclusion
- Enterprise Risk Management
- Management of Business Continuity

Our objective was to provide review level, or limited assurance, on HRM management's implementation of recommendations from these reports. A limited assurance engagement provides a lower level of assurance than an audit. Conclusions are based on reasonability of what management tells us, and limited testing, rather than detailed testing, as would be found in an audit. This allows us to focus limited resources on new audits, while still providing assurance that management is addressing the issues we identified in past audits.

Our approach included discussing implementation with staff; reviewing policies, guidelines and processes; and other procedures we considered necessary.

This limited assurance engagement was conducted in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001 Direct Engagements published by the Chartered Professional Accountants of Canada.

We apply CPA Canada's Canadian Standard on Quality Management 1. Our staff comply with the independence and ethical requirements of the Chartered Professional Accountants of Nova Scotia Code of Conduct.

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