

Item 13.1.1

AUDITOR GENERAL

Halifax Regional Municipality



Follow-up Review of Outstanding Recommendations – 2019-20 Audits

LED Streetlight Conversion Project
Fleet Vehicle Use, Car Allowances and Mileage

June 2024

June 14, 2024

This **Follow-up Review of Outstanding Recommendations – 2019-20 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

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FOLLOW-UP REVIEW OF OUTSTANDING RECOMMENDATIONS 2019-20 AUDITS



of outstanding recommendations
completed

LED Streetlight Conversion Project Audit

2 of 2

Management has:

- Developed comprehensive risk assessment process for planning significant capital projects
- Developed capital project file policy

Audit carried out: 2019

Initial follow up: 2022

2 report recommendations: 2 (100%) implemented to date

Fleet Vehicle Use, Car Allowances and Mileage Audit

0 of 2

Management needs to:

- Address vehicle use monitoring
- Monitor utilization of light-fleet vehicles

Audit carried out: 2020

Initial follow up: 2022

8 report recommendations: 6 (75%) implemented to date

**AUDITOR GENERAL HALIFAX
REGIONAL MUNICIPALITY**

June 2024

LED Streetlight Conversion Project Audit – November 2019

Implementation Status by Recommendation

Recommendation	Business Unit	Status
1. HRM should develop a comprehensive risk assessment process for planning significant capital projects.	Finance & Asset Management	✓
2. HRM should develop a policy related to significant capital project files. This should include assigning overall project file responsibility and determining what documents to include in project records.	Finance & Asset Management	✓

Fleet Vehicle Use, Car Allowances and Mileage Audit – March 2020

Implementation Status by Recommendation

Recommendation	Business Unit	Status
1. HRM's Corporate and Customer Services should develop a detailed plan, with deadlines, and complete its fleet rationalization project. This should include updating the fleet-use policy, address monitoring of vehicle use, and clarify how disagreements between Corporate Fleet and fleet vehicle users will be settled.	Property Fleet & Environment	✗
6. HRM should monitor utilization of light-fleet vehicles, including checking for inappropriate use and developing utilization targets.	Property Fleet & Environment	✗

Background

The Office of the Auditor General, Halifax Regional Municipality, follows up on audits previously reported by the office after 18 months. We have established an additional process to follow up on outstanding audit recommendations from the initial follow-up after a further 18 months. These follow-up reviews report the progress management had made in implementing changes recommended by the Auditor General when the initial follow-up was carried out.

Objective and Scope

We completed the review of the outstanding recommendations from the 2022 follow-up audits. The audit reports followed up were released in 2019-20.

- LED Streetlight Conversion Project
- Fleet Vehicle Use, Car Allowances and Mileage

Our objective was to provide review level, or limited assurance, on HRM management's implementation of the recommendations from the initial follow-up report. 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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