

The logo for the City of Edmonton, featuring the word "Edmonton" in white text on a blue square background.

**OFFICE OF
THE CITY AUDITOR**

REPORT
ENVIRONMENTAL AND
CLIMATE GOVERNANCE AUDIT

MARCH 28, 2024

Report Summary

BACKGROUND

In August 2019, the City declared a climate emergency and set climate change as a key strategic priority.

The City's *Climate Resilience Policy* provides governance and accountability for achieving a climate resilient¹ city.

The City has also developed two distinct climate strategies:

1. The *Climate Resilient Edmonton: Adaptation Strategy and Action Plan* outlines how the City will embrace and cope with changing climate.
2. The *Community Energy Transition Strategy and Action Plan* outlines how the City will reduce and prevent greenhouse gas emissions.

The Planning and Environment Services Branch within the Urban Planning and Economy Department oversees the delivery of these two strategies. The Branch's Environment and Climate Resilience Team is responsible for overseeing these climate strategies. Various business areas in the City are responsible for implementing strategies, including coordinating with external partners to implement them.

AUDIT OBJECTIVE²

The objective of this audit was to determine whether the City has an effective governance structure to deliver the *Climate Resilient Edmonton: Adaptation Strategy and Action Plan* and the *Community Energy Transition Strategy and Action Plan* towards a climate resilient city.

The criteria for this audit were the five elements of an effective approach to climate governance (Exhibit 1). These include the City:

¹ Climate resilience is the City's capacity to respond to the impacts of climate change and protect people, businesses, and infrastructure from those impacts.

² We conducted this engagement in conformance with the Institute of Internal Auditors' *International Standards for the Professional Practice of Internal Auditing*.

Exhibit 1: Elements of an effective approach to climate governance



1. Establishing an accountability framework to outline ownership of the strategies, action plans, and action items.
2. Developing a monitoring and evaluation framework to assess progress towards the strategic objectives.
3. Establishing a decision-making framework that integrates climate considerations into the decision-making processes.
4. Reporting on progress towards the strategic objectives for transparency.
5. Engaging with the public and stakeholders to share climate information (i.e., methodologies, climate risks, regulatory requirements, etc.).

AUDIT SCOPE

This audit focused on the City's governance efforts to implement the *Climate Resilient Edmonton: Adaptation Strategy* and *Community Energy Transition Strategy*. We did not audit:

- The design and development of those strategies.
- The City's governance over the third party Environmental Management System (Enviso). This system is used to manage and improve environmental performance in accordance with the international standard ISO 14001.
- Implementation or operating effectiveness of any individual action plan items from the strategies.

WHAT WE FOUND

Overall, the City has some elements of an effective governance structure in place to deliver the *Climate Resilient Edmonton: Adaptation Strategy and Action Plan* and the *Community Energy Transition Strategy and Action Plan*. These include:

- The Environment and Climate Resilience Team (ECRT) understands and meets reporting requirements outlined in the City Charter, Carbon Disclosure Project, and Task Force on Climate-Related Financial

Disclosures. Business areas are also meeting the reporting requirements for the external grants and funding they receive for their respective climate actions.

- ECRT has and uses references and tools for climate awareness knowledge. The team implements engagement processes with internal groups, the public, and stakeholders to obtain and assess feedback. These processes are consistent with the *City's Public Engagement Policy and Framework*.

However, we found the following areas where the City can improve its governance structure to deliver the climate strategies:

- While ECRT and business areas understand their general roles and responsibilities, the City does not formally assign and communicate roles and responsibilities for its climate strategies relating to:
 - Future policy and procedure development
 - Decision making
 - Monitoring and evaluation
 - Budgets and financials
- ECRT does not provide climate training to support decision making and increase awareness of how business areas' operational strategies align with climate strategies.
- ECRT did not develop a formal monitoring and evaluation framework to assess the City's progress towards its strategic objectives. This creates inconsistency on how to set targets, monitor, and evaluate climate actions. The *Climate Resilient Edmonton: Adaptation Strategy and Action Plan* does not have formal targets for the overall strategy or for specific action items. In addition, both strategies have manual processes for collecting and tracking data, and neither strategy includes formal data quality assurance processes.

- To help inform decision-making, ECRT is currently testing the inclusion of a climate-specific section to applicable Council reports. However draft guidance documentation, for when a climate section is needed, does not have clear and consistent requirements of what should be reported. The City does not link progress of action items in the *Community Energy Transition Strategy and Action Plan* to operating and capital budget requests. Doing so would help the City better understand how much it will spend to make progress on climate action.

RECOMMENDATIONS

- Recommendation 1 We recommend the Planning and Environment Services Branch formally assign and communicate roles and responsibilities for clear accountability and integration of the climate strategies throughout the organization.
- Recommendation 2 We recommend the Planning and Environment Services Branch identify climate-related training needs, and develop a program to provide staff with that training to build climate competencies throughout the organization.
- Recommendation 3 We recommend the Planning and Environment Services Branch develop and implement a formal monitoring and evaluation framework for the climate strategies to assess progress towards strategic goals.
- Recommendation 4 We recommend the Planning and Environment Services Branch improve its processes for sharing climate information with decision-makers when making operational and budget decisions.

WHY THIS IS IMPORTANT

Without an effective structure to govern the City's climate strategies, climate deliverables may be missed and decisions may not be climate-informed or aligned with climate goals. This may impact the City's ability to achieve its climate goals.

Environmental and Climate Governance Details

CLIMATE CHANGE AND GOVERNANCE

In December 2015, Canada and 194 other countries reached the Paris Agreement³ to limit the global average temperature rise to well below 2°C and pursue efforts to limit the increase to 1.5°C. The Paris Agreement recognizes the essential roles of subnational governments and cities in responding to climate change and the importance of engagement with all levels of government.

In August 2019, the City declared a climate emergency and set climate change as a key strategic priority. In response to this, the City created the *Climate Resilience Policy* to provide governance and accountability for achieving a climate resilient city.

Good climate governance is essential to deliver transformative climate action. Many cities are evolving their governance systems, structures, and strategic planning processes to ensure climate resilience is embedded in city activities and decision making processes. It is difficult to address the related climate risks and opportunities in a holistic way due to:

1. Competing priorities. Climate competes with other emerging and strategic risks such as budget and economic conditions, cybersecurity, and technology.
2. Complexity of climate change. Climate change is a complex and inherently systemic issue. The risks are diverse and uncertain and the impacts are dependent on external drivers, such as disruptive technologies and climate regulation. This makes the risks and opportunities associated with climate change difficult to manage.

³ The Paris Agreement is a legally binding international treaty on climate change.

CLIMATE RESILIENCE STRATEGIES

There are two approaches to climate resilience: adaptation and mitigation. Adaptation refers to activities that lower the negative impacts of climate change while simultaneously embracing the opportunities to cope with its current and future effects. Mitigation is the action to reduce or prevent the release of greenhouse gasses, in order to minimize the extent of future climate change.

The City developed two distinct strategies:

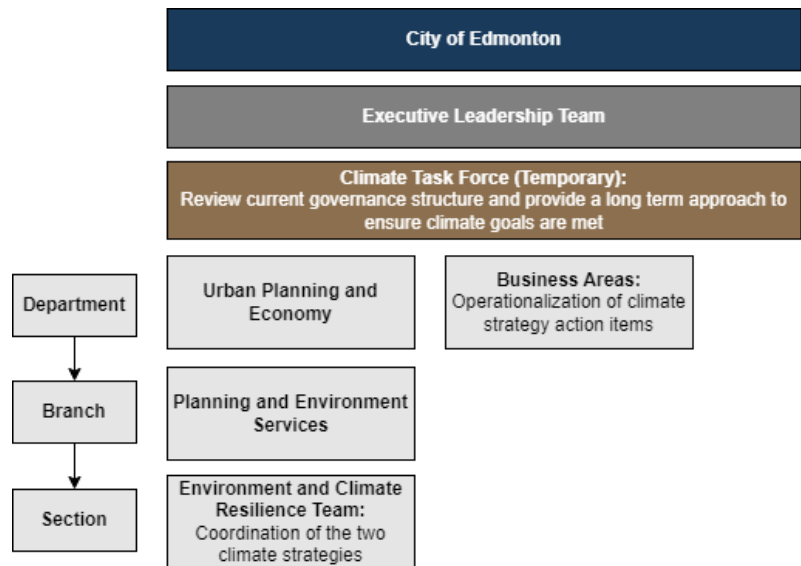
1. *Climate Resilient Edmonton: Adaptation Strategy and Action Plan* (Adaptation Strategy)
2. *Community Energy Transition Strategy and Action Plan* (Energy Transition Strategy)

The Adaptation Strategy was approved in 2020, and focuses on preparing for the changing climate. This includes understanding the climate impacts we are already experiencing and how they may shift in the future due to the effects of ongoing climate change.

The Energy Transition Strategy was released in 2015 and revised in 2021. It focuses on how to mitigate the causes of climate change and reduce greenhouse gas (GHG) emissions to achieve a low carbon city.

CLIMATE GOVERNANCE STRUCTURE

The City's current climate governance structure is summarized in Figure 1. It may be subject to change after the Climate Task Force's review of the current governance structure.

Figure 1. City of Edmonton Climate Governance Structure

Planning and Environment Services

The Planning and Environment Services Branch within the Urban Planning and Economy Department oversees the delivery of the two climate resilience strategies. The Branch's Environment and Climate Resilience Team (ECRT) is responsible for overseeing these strategies.

Climate Task Force

In 2023, the City created a temporary Climate Task Force. It is composed of leads from different departments and is co-chaired by the Branch Manager of Planning and Environment Services. Once the Task Force is fully operational its purpose will be to:

- Lead deliverables in each of the City's climate focus areas, such as:
 - Providing governance and decision-making
 - Reviewing policies and bylaws
 - Overseeing culture, partnership and advocacy.
- Develop a long-term approach for managing climate governance, including:
 - Decision-making
 - Roles and responsibilities
 - Performance

- Accountability

The Climate Task Force has developed work plans for the focus areas and is awaiting review and approval. It has also started some of the deliverables.

Other Key Stakeholders

There are additional key stakeholders involved with the delivery of the climate strategies, including the Executive Leadership Team, a Chief Climate Officer, and various business areas in the City.

The Executive Leadership Team is the leader of the City's strategic priorities and provided direction for the creation of the Climate Task Force.

The City is also recruiting for a Chief Climate Officer position, with the intent to align resources with climate priorities and to integrate climate implications within corporate decision-making.

These strategies are implemented by various business areas in the City or in coordination with external partners.

2023 TO 2026 BUDGETS

The City has a budget for the Energy Transition Strategy, the Adaptation Strategy, and an overall carbon budget.

Energy Transition Strategy Budget

The Energy Transition Strategy has an approved 2023-2026 capital budget of \$279 million and operating budget of \$86.5 million. The Energy Transition Strategy's 2023 budget and actuals are summarized in Table 1:

Table 1: 2023 Energy Transition Strategy Budget and Actual

Energy Transition Strategy		
	2023 Approved (in millions)	2023 Actual (in millions)
Capital Budget	\$32.5	\$32.5
Operating Budget	\$16.2	\$15.5

Adaptation Strategy Budget

The Adaptation Strategy has an approved 2023-2026 operating budget of \$5.5 million. The Adaptation Strategy's 2023 budget and actuals are summarized in Table 2:

Table 2: 2023 Adaptation Strategy Budget and Actual

Adaptation Strategy		
	2023 Approved (in millions)	2023 Actual (in millions)
Operating Budget	\$0.50	\$0.56

Carbon Budget

The City developed a 2023-2026 Carbon Budget as a tool to inform Council, and help guide decision-making by providing additional carbon emissions information. The 2022-2050 community carbon budget is 176 million tonnes CO₂e and the corporate carbon budget is 2.25 million tonnes CO₂e. The City set the budgets to align with the Paris Agreement.

The 2023-2026 community carbon emissions target is 49 million tonnes. The City forecasts that community carbon emissions will be 4.2 million tonnes over target. The 2023-2026 corporate carbon emissions target is 816,000 tonnes. The City forecasts that corporate carbon emissions will be less than 1,000 tonnes over the targeted carbon emissions at the end of 2026 (Table 3).

Table 3: 2023-26 Community and Corporate Carbon Emissions Targets and Deficit

2023-2026 Carbon Emissions (thousands of tonnes CO ₂ e)		
	Community	Corporate
Carbon Emissions Forecast	53,250	816
Carbon Emissions Target	49,100	816
Carbon Deficit	4,150	<1

Formalize Roles and Responsibilities

KEY FINDINGS

The Environment and Climate Resilience Team (ECRT) and the business areas generally understand their roles and responsibilities. ECRT manages and coordinates the City's climate strategies, while business areas implement, monitor, and track the climate action items they are assigned to.

However, the City has not formally assigned, documented, and communicated roles and responsibilities for the climate strategies relating to:

- Future policy and procedure development
- Decision making
- Monitoring and evaluation
- Budgets and financials

While business areas understand their specific roles to implement action items, there are inconsistencies in how they understand their roles in the City's overall climate strategies and goals.

This is an area identified as a priority by the Climate Task Force.

LACK OF ROLES AND RESPONSIBILITIES

While roles and responsibilities are generally understood by ECRT and the business areas, they are not formally assigned, documented, and communicated.

Future Policy and Procedure Development

ECRT is currently reviewing Council and Administrative policies and procedures for gaps, from a climate perspective. However, ECRT did not determine the follow-up work to address these gaps, and roles and responsibilities around new and future adjustments to policies and procedures.

Decision Making

Roles and responsibilities related to decision-making for action items are not formally assigned or documented. As part of the deliverables of the Climate Task Force, they are expected to:

- Define roles and responsibilities for business areas and ECRT.
- Create a framework to guide the City's climate decision-making process.
- Help prioritize the City's climate objectives.

While business areas will continue to be responsible for implementing the climate strategies, there is still a risk that operational decisions may not align with either strategy.

Monitoring and Evaluation

ECRT did not formally assign or document roles and responsibilities for monitoring, evaluation, target setting, or data governance for the climate strategies. Informally, there is an understanding that:

- Corporate targets and monitoring are assigned to ECRT.
- The business areas are responsible for monitoring their respective action items.

However, target setting for action items is inconsistent because it is unclear who is or should be responsible (see Recommendation 3).

Budgets and Financials

ECRT did not document roles and responsibilities related to budget and financial reporting. In the last budget cycle, ECRT brought forward budget packages for climate initiatives on behalf of business areas because there was no guidance for business areas to bring forward these requests. Business areas understand that they are to track financial progress of their action items. For future budget cycles, clear assignment of responsibilities to business areas for creating climate initiative budget packages and managing their climate initiatives is required.

WHY THIS IS IMPORTANT

With future plans to decentralize some responsibility of these processes to business areas, undocumented roles and responsibilities could lead to missed climate deliverables, particularly if staff turnover occurs. It could also lead to a lack of accountability, leading to operational decisions that may not be aligned with climate strategies.

RECOMMENDATION 1

Formally assign and communicate roles and responsibilities for clear accountability and integration of the climate strategies throughout the organization.

**Responsible Party**

Branch Manager, Planning and Environment Services



Accepted by Management

Management Response

Management accepts this recommendation, and will work with the Executive Leadership Team, the Chief Climate Officer, and the Climate Task Force to formally assign and communicate roles and responsibilities through work underway as part of Administration's Climate Task Force's work plan.

**Implementation Date**

December 31, 2025

Build Climate Competencies

KEY FINDINGS

Business areas' liaisons meet with ECRT to discuss climate action items.

However, we found that there could be improvements in baseline climate competencies and knowledge throughout the organization. This includes:

- Providing climate training that focuses on decision-making.
- Increasing awareness about how operational strategies align with climate strategies.

LACK OF CLIMATE-RELATED TRAINING

The City does not offer climate related training or training on how to operationalize climate objectives. When we spoke with staff in business areas who are tasked with implementing the actions in the climate strategies, this was something they said they would like to receive training on.

The City offered a climate course that provided a high level overview of what climate change is. This included the definitions of GHGs, climate change, and energy efficiency. However, it did not communicate the City's climate strategies, or the City's direction towards climate resilience. This course is no longer offered.

The Climate Task Force has documented plans to launch a Climate Awareness course for all City employees. The course is intended to integrate the City's direction on climate goals and cover basic climate definitions and strategic goals. As this is in progress, we are unable to conclude on whether this course will be effective in providing sufficient training to decision makers.

LACK OF AWARENESS OF ALIGNMENT OF CLIMATE AND OPERATIONAL STRATEGIES

Business areas would like to better understand how their area aligns with the overall climate strategies. The majority of business area staff we spoke to mentioned that they meet

regularly with ECRT, but these meetings focus on their assigned action items. They do not include check-ins on GHG targets. ECRT could provide business areas with climate training on how their operational strategies align with climate strategies to help with this. Without these discussions, it is uncertain whether ECRT and business areas have a common understanding of the business areas' operational projects and their impacts on climate strategies.

WHY THIS IS IMPORTANT

Without sufficient training, business areas could make operational decisions that are not aligned with climate goals.

RECOMMENDATION 2

Identify climate-related training needs, and develop a program to provide staff with that training to build climate competencies throughout the organization.



Responsible Party

Branch Manager, Planning and Environment Services



Accepted by Management

Management Response

Management accepts this recommendation, and will work with the Executive Leadership Team, the Chief Climate Officer, and the Climate Task Force to develop additional training and Administration's Climate Task Force is conducting a training needs assessment to determine where additional skills and competencies may be required to deliver on the City's climate objectives.



Implementation Date

December 31, 2025

Develop a Monitoring and Evaluation Framework

KEY FINDINGS

The Energy Transition Strategy community targets are aligned with the Paris Agreement and informed by the work of the Intergovernmental Panel on Climate Change⁴. The City's corporate target timeline is more aggressive than the Intergovernmental Panel on Climate Change guidance. The City has control over its GHG emissions and wants to demonstrate climate leadership. There are methodologies to calculate the community and corporate GHG emissions. The data for these calculations is considered relevant and reliable.

However, ECRT has not developed and implemented a formal monitoring and evaluation framework to assess the City's progress towards the objectives set in both its climate strategies. This lack of a formal framework creates inconsistencies because:

- Various business areas, with some involvement from ECRT, set targets, monitor and evaluate their climate actions.
- Unlike the Energy Transition Strategy, the Adaptation Strategy does not have formal targets for the overall strategy or at the action item level. This leads to a gap in processes to identify whether corrective actions are needed for the Adaptation Strategy.

Monitoring and evaluation involves collecting and using data. Data collection and data tracking for the Energy Transition Strategy and Adaptation Strategy involve manual processes, and although reviews may take place, there is no formal data

⁴ The Intergovernmental Panel on Climate Change is the United Nations body for assessing the science related to climate change. It provides policymakers with assessments on climate change, its implications and potential future risks, and to put forward adaptation and mitigation options.

quality assurance process for either climate strategy. Data and data quality issues may impact the dependability of monitoring and evaluation processes and data-driven decision making. This is an area identified as a deliverable for the Climate Task Force.

LACK OF MONITORING AND EVALUATION FRAMEWORK

The City does not have a formal monitoring and evaluation framework to assess progress of climate actions towards the strategic goals. We found business areas are inconsistent in how they set targets, monitor, and evaluate action items. In addition, the Adaptation Strategy does not have set targets for monitoring and evaluation.

Inconsistencies in Targets, Monitoring, and Evaluation

The Energy Transition Strategy includes 105 action items. These items are individual projects related to mitigating climate change. Various business areas are responsible for implementing them. This would include setting targets to monitor and evaluate their progress, where appropriate depending on the nature of the action item. Examples of inconsistencies with targets include:

- Some action items did not have targets, such as the Building Energy Retrofit Accelerator program, Home Energy Retrofit Accelerator program, and Clean Energy Improvement Program.
- Some action items have specific targets, while some use City Plan targets as proxies.

Without guidance on target-setting, we can not assess if a lack of targets is reasonable due to the nature of the action item or if set targets are reasonable.

We also found examples of inconsistencies in monitoring and evaluation:

- Some actions require tracking by the business area for progress against targets and as well as by ECRT or a third party for GHG impact.
- For a few action items, business areas are tracking additional climate-related metrics or key performance

indicators, which ECRT may not be aware of. In some cases, metrics are still under development.

- One action item does have a monitoring process for the eligibility of grants, including whether building plans meet energy efficiency requirements. However, the grant agreement template does not have any clause related to conditions after the building is completed and whether it actually met the efficiency requirement.

There is a disconnect between business areas and ECRT in understanding the progress of action items against the action plan. Between initiation and completion, the status of an action item is indicated as “in progress” in an internal action tracking spreadsheet. However, business areas do not quantify how much progress has been made or how much more progress is needed to complete the action item.

ECRT also provides Council with annual updates for some action items such as the Building Energy Retrofit Accelerator rebate program, Home Energy Retrofit Accelerator rebate program, and Clean Energy Improvement Program. However, it does not provide information on how each action is progressing against the action plan.

In addition, while the Energy Transition Strategy has a set target for the overall strategy and some set targets at the action item level, the Adaptation Strategy does not have set targets for the overall strategy or at the action item level. Without targets, ECRT cannot identify whether it is progressing to meet its strategic objectives. Not having targets also leads to a gap in the processes to identify whether corrective actions are needed to meet targets.

The monitoring and evaluation framework should provide guidance on setting targets that would allow ECRT to assess progress towards the climate strategy's goals. This framework should also include guidance for identifying when corrective actions are needed to meet targets.

DATA GOVERNANCE

Data is collected and used for monitoring and evaluation. We found that data collection and data tracking for the Energy Transition Strategy and Adaptation Strategy involve manual processes. There is no formal data quality assurance process for either climate strategy.

Energy Transition Strategy GHG Data

ECRT tracks and collects community and corporate GHG inventory data from data sources in spreadsheets. ECRT provides the data to an external consultant to input into their spreadsheet to calculate GHG emissions. The consultant is responsible for spot checking the data, and providing ECRT with the draft calculations and a report for review. ECRT's review focuses on whether the report presents information well and it is consistent with expected trends. Although data and calculation review for quality assurance may occur, it isn't a formalized process. This increases the risk of potential errors, which will affect the reliability of the information ECRT uses for monitoring and evaluation against the strategy's target.

Energy Transition Action Items Data

ECRT also uses the GHG inventory data to track and calculate key performance indicators for non-program related data, such as:

- GHG emissions from electricity consumed in Edmonton
- Natural gas consumed in Edmonton buildings
- Number of electric or hybrid vehicles registered in Edmonton

ECRT manually tracks and calculates these key performance indicators in a spreadsheet. ECRT also tracks program-related data, such as rebates, manually to calculate key performance indicators for programs such as the solar rebate program, building and home retrofit programs, and electric vehicle charger program.

Various business areas implement the Energy Transition action items. As a result, data collection and tracking also varies. Manual data tracking increases the risk of data errors; spot

checks over vendor data may be insufficient in identifying when errors occur. We found instances where:

- Action items have data tracked by vendors hired to deliver the programs, and City program managers are responsible for completing spot checks with raw data.
- Action items have business areas providing data to ECRT, to calculate GHG impacts, which is tracked manually in spreadsheets.

These approaches impact the reliability of the data used to drive decision making. They also impact the interpretation of the progress of each action item because action items are not evaluated against the action plan in a consistent way.

Adaptation Strategy and Action Items Data

As mentioned, the Adaptation Strategy does not have targets for the overall strategy, or for each action, so ECRT does not gather data for this strategy. However, the City plans to publish a related ConnectEdmonton⁵ indicator, the Climate Resilience Index, on the percentage of Edmonton neighborhoods that are resilient and adaptable to climate change. The Climate Resilience Index is calculated based on Statistics Canada census data. Some examples of the census data used include:

- Population density
- Extreme heat and flooding
- Age and quality of housing stock
- Parks and tree quality and proximity
- Household income
- Unemployment rate

The City provides data to an external consultant to update the Climate Resilience Index spreadsheet and technical report prior to ECRT review. We were unable to obtain documentation of the review requirements. A lack of consistent review could impact the reliability of the data used to monitor climate resilience and drive decision making. Once targets are established for the Adaptation Strategy, there may be

⁵ ConnectEdmonton is the City of Edmonton's 2019-2028 strategic plan, and one of its strategic goals is climate resilience.

additional data collected, tracked, and used to monitor progress.

WHY THIS IS IMPORTANT

A consistent way of governing data and evaluating progress of each action against the strategy's action plan would help business areas and ECRT make better-informed decisions to achieve the City's climate goals.

RECOMMENDATION 3

Develop and implement a formal monitoring and evaluation framework for the climate strategies to assess progress towards strategic goals.

Responsible Party



Branch Manager, Planning and Environment Services



Accepted by Management

Management Response

Management accepts this recommendation, and will work with the Executive Leadership Team, Chief Climate Officer and the Climate Task Force to develop and implement a climate tracking, evaluation and analytics framework and establish additional corporate climate targets.

Administration will also develop adaptation targets for Council approval as part of the work to update the climate strategies.



Implementation Date

June 30, 2026

Improve Climate-Informed Decision Making

KEY FINDINGS

ECRT, with support from the Climate Task Force, is drafting a decision-making framework to integrate and improve environment and climate considerations into City decision making. The framework considers:

- Short, medium, and long-term climate conditions
- Vulnerabilities
- Risks and opportunities
- Carbon and financial budgets

Also, business areas have a liaison on their team that connects with ECRT for other climate considerations. However, Council and Administration lack the climate information they need to rely on when making decisions.

To help inform Council's decision-making, ECRT is currently testing the inclusion of a climate-specific section to applicable Council reports. ECRT has also developed a questionnaire and risk categorization in the screening forms for the climate section of Council reports. However, draft guidance documentation, for when a climate section is needed, does not have clear and consistent requirements for what business areas should report.

ECRT links the 105 climate action items in the Energy Transition Strategy to City Plan initiatives. However, it does not link operating and capital budget requests to the action items. Doing so would help Council and Administration better understand how much it is spending to make progress on climate actions.

CLIMATE SECTION OF COUNCIL REPORTS

ECRT is creating guidance for business areas to determine when a Council report needs to include a specific climate section. A screening form determines whether a Council report needs a section on climate information. ECRT's guidance document includes draft guiding statements that outline content requirements for each climate-related topic.

Currently, both the screening form and the guidance document are in draft. The guidance document for the climate section does not have clear and consistent reporting requirements.

ENERGY TRANSITION STRATEGY ACTION ITEMS AND BUDGET

Progress on the 105 action items in the Energy Transition Strategy is not linked to operating and capital budget requests. This impacts the ability to identify the actual amounts spent versus budgeted amounts for each action item, and whether they are currently funded.

None of the six action items we reviewed identified which budget requests it related to – capital, operating, or both. We were also unable to identify how much the City has spent on each action item, and whether they are sufficiently funded. Having this information can better inform business areas, ECRT, and Council on the amounts spent and progress of climate actions.

WHY THIS IS IMPORTANT

Without processes to share climate information with decision-makers, it may result in less climate-informed decision-making for operations and budget.

RECOMMENDATION 4

Improve its processes for sharing climate information with decision-makers when making operational and budget decisions.



Responsible Party

Branch Manager, Planning and Environment Services



Accepted by Management

Management Response

Management accepts this recommendation, and will work with the Executive Leadership Team, Chief Climate Officer, and the Climate Task Force to improve processes for sharing climate information.



Implementation Date

June 30, 2026

ACKNOWLEDGEMENT

We would like to thank the staff in Urban Planning and Economy and the staff in the business areas we reviewed for their cooperation during this audit.