

ENVIRONMENTAL AND CLIMATE GOVERNANCE AUDIT

Recommendation

That the April 15, 2024, Office of the City Auditor report OCA02435, be received for information.

Report Purpose

Information only.

Executive Summary

This report presents the results of the Environmental and Climate Governance audit.

REPORT

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 resilient 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 objective of the audit was to determine if 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.

Overall, Office of the City Auditor (OCA) found the City has some elements of an effective governance structure in place. However, OCA found the following areas where the City can improve its governance structure to deliver the climate strategies:

- While the Environment and Climate Resilience Team 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:

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- Future policy and procedure development
- Decision making
- Monitoring and evaluation
- Budgets and financials
- The Environment and Climate Resilience Team does not provide climate training to support decision making and increase awareness of how business areas' operational strategies align with climate strategies.
- The Environment and Climate Resilience Team does not have a formal monitoring and evaluation framework to assess the City's progress towards its strategic objectives.
- To help inform decision-making, the Environment and Climate Resilience Team 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 However draft guidance documentation, for when a climate section is needed, does not have clear and consistent requirements of what should be reported. As well, the City does not link progress of action items in the *Community Energy Transition Strategy and Action Plan* to operating and capital budget requests.

OCA made the following recommendations to the Planning and Environment Services Branch:

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

Policy

Bylaw 16097, Audit Committee Bylaw, Section 14(d) states that, "Committee will review all reports from the City Auditor dealing with completed audit projects."

Attachment

1. Environmental and Climate Governance Audit Report