

City of Saskatoon

Internal Audit Follow-Up: Carbon Reduction Initiatives

Submitted on:
January 7, 2020





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City of Saskatoon SPC on Finance
222 Third Avenue North
Saskatoon, Saskatchewan S7K 0J5

Internal Audit Follow-up: Carbon Reduction Initiatives Update

Recommendation:

That the enclosed Internal Audit Follow-Up Report re: Carbon Reduction Initiatives be received as information.

Please find enclosed our report and status update on the City's progress in implementing the internal audit recommendations outlined in the aforementioned report, originally presented to this Committee in June of 2018.

Yours truly,

A handwritten signature in black ink, appearing to read "Jesse Radu".

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1. Background

This internal audit project, reported to SPC on Finance in June 2018, addressed the risks that “The City’s community education and awareness initiatives regarding carbon footprint may not be affecting change in people’s attitudes and behaviours” and that “The City may fail to identify and pursue corporate carbon reduction initiatives”.

The report issued in June of 2018 included analysis on the reasonability of the City’s targets, the achievability of the targets based on resourcing in place as of June 2018, and commentary on resources required to further the City’s mitigation efforts. The report contained 8 overall project observations which were distilled into 2 key themes:

- 1) Strategy - the process of setting climate goals and the risks identified in the City’s Risk Register were disconnected. The risks identified were not aligned with the commitment of reduction targets and did not support a plan of action or policy designed to achieve the overall aim of deep decarbonization.
- 2) System approach - the City lacked a management system approach of “plan, do, check, act” to setting greenhouse gas targets, identifying risks associated with these targets, and implementing actions required to achieve deep decarbonization.

As mentioned, the report contained 8 overall project observations as well as 5 steps to take by 2022. The report concluded by providing 6 detailed recommendations for City Administration

2. Update

Of the 6 recommendations originally made in our report, 2 were completed in accordance with the original timeline for implementation with ongoing next steps. The remaining 4 recommendations all have timelines for implementation that will be ongoing into 2020/2021.

Please refer to the attached Administration Response document which contains full details of the original recommendations as well as a summary of timelines, actions taken to-date, and remaining actions to implement.

Response to CO2 Reduction Initiatives Audit Recommendations

Theme	#	Action/Recommendation	Current Status	Next Steps	Owner	Timeline
Mitigation risk identification and measurement	1	Develop MAC curves specific to the City's circumstances as a minimum fundamental tool.	COMPLETE - MAC curve was developed and presented to Council in August 2019	Consider further review of the MAC curve as new information is gathered – for instance as part of the Water Conservation strategy	Not assigned	TBD
	2	Develop a realistic emission reduction strategy with reasonable targets, focused on the areas of greatest emission reduction potential and employing appropriate levers.	COMPLETE - the Low Emissions Community Plan provides a 30-year roadmap indicating the 40 actions that the City and Community need to take to meet the 80% reduction target. Was presented to Council in August of 2019.	The LEC Plan is complete however, further engagement and communications with stakeholders is required to get community buy-in and understanding, as well as look for opportunities for implementation.	GHG Controls Specialist	Ongoing
Mitigation goal setting	3	Develop City-specific emission reduction goals based on a more sophisticated understanding of the inventory and aligned with an environmental management system.	ONGOING – A water conservation strategy and waste reduction plan will include specific targets, both are in draft form. New capital projects for electric vehicles, high performance building policy, and the solar strategy will help set emissions targets for	Water Conservation Strategy to include Corporate targets. Waste Reduction Plan to include Corporate targets (along with ICI strategy). Scoping and project development in 2020 for EV,	Water Conservation PM Waste Reduction PM EMS, Solar, EV, and buildings PMs to be assigned in Q1-2020	August, 2020 March 2020 TBD

			buildings and fleet. Further work on the EMS is required.	buildings, and EMS.		
	4	Develop an environmental management system (EMS) that includes high-level goals, objectives and targets, including those related to deep decarbonization.	To start in this budget cycle – Sustainability plans to implement an EMS system in collaboration with a Climate Change Adaptation strategy. Funding in place.	Hire a PM to develop an EMS system.	Climate Change Manager	2021
Data management	5	Implement a more robust, automated system that extends the entire length of the data management cycle to ensure quality data control over the GHG inventory and to enable effective measurement of performance.	ONGOING – Sustainability has adequate resourcing for GHG inventory and verification. A process review has been initiated in order to document and improve processes.	Sustainability will work with Process improvement coordinator to improve and document processes. Further work with IT to look for better data management and integration with City systems/processes.	GHG Controls Specialist	2020
Resourcing	6	Build out a resourcing plan that addresses the current gap of five to six FTE's based on the actions and programs currently in place and proposed in the internal work plans.	ONGOING – 5.3 permanent FTE's were approved in the 2020/2021 budget to work on some parts of the Low Emissions Community Plan and other aspects of sustainability's work plan. Note, that no resourcing was identified for Corporate Adaptation.	A What We Do Report outlining the Sustainability division's mandate, resourcing, and long term plan is being drafted.	Sustainability Director	January 2020

