



2024 to 2027 Business Plan

Service: Internal Audit

\$0.00

Cost per day for the average rate payer (2024 to 2027)

0.04%

Of the 2024 to 2027 City of London Net Property Tax Supported Budget

Who we are:

- Internal Audit is delivered through the use of a third-party firm and is based on a three-year rolling risk based audit plan. Internal Audit involves targeted service reviews, value-for-money audits and system audits.

What we do:

- Internal Audit support Council and Administration in achieving their goals, strategic objectives and legislated responsibilities. Internal audit is responsible for assisting Municipal Council in holding itself and its administrators accountable for the quality of stewardship over public funds and for achievement of value for money in municipal operations.

The audits must be in compliance with the International Professional Practices Framework set forth by the Institute of Internal Auditors. Some of these objectives/standards are:

- To assist the City to accomplish its objectives by bringing a systematic and disciplined approach to evaluating and improving the effectiveness of risk management, control and governance processes.
- To review; the reliability and integrity of information, compliance with policies and regulations and contracts, the safeguarding of assets, the economical and efficient use of resources, and established operational goals and objectives.

Why we do it:

- **Traditional** - The maintenance of an internal audit function is typical for larger municipalities. An internal audit function has been in place at the City of London since 1983.

The following table provides an overview of the budget for this service:

Budget Summary (\$000's)	2024	2025	2026	2027	2024 to 2027 TOTAL
Gross Operating Expenditures	\$338	\$345	\$352	\$359	\$1,394
Other Revenues	-\$9	-\$9	-\$9	-\$9	-\$36
Net Tax Levy Supported Operating Budget	\$329	\$336	\$343	\$350	\$1,358
Total Capital Expenditures	\$0	\$0	\$0	\$0	\$0
Full-Time Equivalentents (FTE's)	0	0	0	0	N/A

Reflects Draft 2024 to 2027 Multi-Year Budget – December 12, 2023.

Linkage to the 2023 to 2027 Strategic Plan

This service supports the following Strategic Areas of Focus in the 2023 to 2027 Strategic Plan:



**Reconciliation, Equity,
Accessibility, and
Inclusion**



**Economic Growth, Culture,
and Prosperity**



**Housing and
Homelessness**



**Mobility and
Transportation**



Wellbeing and Safety



**Climate Action and
Sustainable Growth**



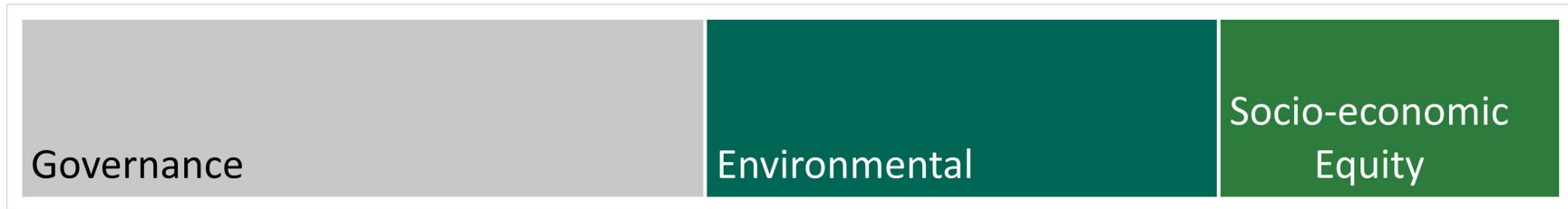
**Safe London for Women,
Girls, and Gender-Diverse
and Trans People**



Well-Run City

Environmental, Socio-economic Equity and Governance (ESG) Considerations

Environmental, Socio-economic Equity and Governance Profile for this service:



Environmental:

- Based on the timing of the Internal Audit Request for Proposal 21-26, one of the supplementary items that the City's Internal Auditor identified was its "remote work capabilities" thereby reducing the amount of in-person requirements needed from them to conduct their work. This ability would reduce their in-person requirements where exchange of information could occur through secure client portals, or through shared technology platforms such as Microsoft Teams to conduct interviews, that would have occurred in-person thereby reducing greenhouse gas emissions.

Socio-economic Equity:

- As identified in its Internal Audit Plan to date, Internal Audit Services is looking to undertake a review of the City's progress related to Anti-Racism Anti-Oppression policies, and identified potentially reviewing the City's progress towards the execution of its Creating a Safe London for Women and Girls Initiative, as well as assessing the City's compliance with the Accessibility for Ontarians with Disabilities Act (AODA) and the standards defined in the Integrated Accessibility Standards Regulation.

Governance:

- Internal audit can provide guidance on ESG governance because of its holistic understanding of risk across the organization. It can use its unique perspective to help identify roles and responsibilities, as well as provide training on internal controls.

The following section provides an overview of the key activities the service plans to undertake from 2024 to 2027 to implement the Corporation's 2023 to 2027 Strategic Plan, as well as an overview of the risks and challenges the service is anticipated to experience during this period:

Service Highlights 2024 to 2027

- Follow up audits conducted in 2023 such as vendor management, grant facilitation review, cybersecurity, Human Resource Information System Implementation (post implementation), records management and retention, and project management.
- Based on the Internal Audit Plan presented to Audit Committee in June 2022, it is anticipated that the following audits will be conducted in 2024:
 - A review of processes for the collection, use and disposal of personal identifiable information and an evaluation of the design and operative effectiveness.
 - A review to understand if the Municipal Housing Development Program and its associated processes and funds were administered with due regard for economy and efficiency.
 - A review of the City's progress towards implementation of its Anti-Racism Anti-Oppression framework and policies.
 - An assessment of the City's performance metrics and frameworks to ensure alignment with corporate strategies and goals.
 - Review of the City's progress against actionable items within the Climate Emergency Action Plan.
- Reviewing internal audit plan with Audit Committee annually to look at what areas need to be looked at either from a compliance perspective or a value for money perspective. Based on risk assessment done, these next audits could include: procurement, emergency management, accessibility, continuous improvement, creating a safe London for women and girls, fire vehicles, Service London, and Community Improvement Plans (CIPs).

Risks and Challenges Anticipated in 2024 to 2027

- Current contract term with the City's Internal Auditor expires December 31, 2024, however there are two (2) additional one (1) year options for the City to renew at its sole discretion.

Other reference information and links:

- Link to the [Internal Audit Charter](#) as received by Municipal Council at its July 5, 2022 meeting.

Contact:

- Ian Collins, Director, Financial Services
- 519-661-CITY (2489) Extension 5634
- icollins@london.ca