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**Item No. 15.1.6**  
**Halifax Regional Council**  
**January 27, 2026**

**TO:** Mayor Fillmore and Members of Halifax Regional Council

**FROM:** Brad Anguish, Acting Chief Administrative Officer

**DATE:** January 21, 2025

**SUBJECT:** Fixed Interval Auditor General Recommendations Reporting

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### **ORIGIN**

October 7, 2025 Halifax Regional Council (Item 15.1)

MOVED by Councillor Cleary, seconded by Councillor Morse

THAT Halifax Regional Council:

2. Direct the Chief Administrative Officer to prepare a supplementary staff report to provide for status updates on fixed intervals.

MOTION AS AMENDED PUT AND PASSED UNANIMOUSLY.

### **EXECUTIVE SUMMARY**

Currently, Administrative Order One, the *Procedures of the Council Administrative Order*, (AO 1) includes requirements for HRM staff to prepare an Action Plan and a 12-Month Status update report to the Audit and Finance Standing Committee for each Auditor General audit.

Additionally, the Municipal Auditor General completes follow-up reporting for each audit as outlined below:

- **Auditor General First Follow-up Report** – A review of all accepted recommendations completed between 18 to 24 months following the Auditor General's audit report.
- **Auditor General Second Follow-up Report** – A review of outstanding recommendations following the first follow-up report. Usually, this report is completed after 36 months following the Auditor General's audit report.

While there are many reporting intervals for Auditor General recommendations, Regional Council indicated a need to receive holistic reporting of all outstanding recommendations and the level of progress made for incomplete recommendations.

To address this need, it is recommended Council amend AO 1 to include annual reporting to the Audit and Finance Standing Committee containing the progress on all outstanding Auditor General recommendations accepted by the Municipality. To ensure reporting is consistent and streamlined, it is recommended to remove the requirement to provide a 12-Month Status Update since the committee will receive updates on all audit recommendations in the proposed annual report. This report would exclude progress on new

audit recommendations if the Action Plan has yet to be provided for the Audit and Finance Standing Committee. Once the Action Plan is provided, the audit recommendations will be included in the next annual report.

### **RECOMMENDATION**

It is recommended that Halifax Regional Council adopt the amendments to Administrative Order One, the *Procedures of the Council Administrative Order*, as set out in Attachment 2 of this report.

### **BACKGROUND**

On October 7, 2025, Halifax Regional Council adopted amendments to Schedule 2 of AO 1. These amendments: require HRM staff to prepare, for consideration of the Audit and Finance Standing Committee ("Committee"):

- (a) an Action Plan for the implementation of those Auditor General recommendations accepted by the Municipality in three (3) months of the submission of the Auditor General report, and
- (b) a Status Update report on the Action Plan in twelve (12) months from the date of the submission of the Auditor General report.

If the Committee does not have a meeting scheduled for the third or twelfth month, the Action Plan or Status Update is provided at the next regularly scheduled meeting.

During debate on these amendments, Regional Council indicated a need to receive a fixed interval report to summarize the progress of all outstanding Auditor General recommendations and requested a supplementary report.

### **DISCUSSION**

Currently, the following reporting to the Committee for each Auditor General audit exists:

- 1) **3-Month Action Plan** – A staff-led report outlining the actions, expected completion dates, and implementation challenges related to each Auditor General recommendation for each new audit.
- 2) **12-Month Status Update** – A staff-led report outlining the progress made at 12 months following the Auditor General's audit report.
- 3) **Auditor General First Follow-up Report** – A follow-up report completed by the Municipal Auditor General, usually completed 18 to 24 months following the Auditor General's audit report.
- 4) **Auditor General Second Follow-up Report** – A follow-up report completed by the Municipal Auditor General reviewing outstanding recommendations following the first follow-up report. Usually, this report is completed after 36 months following the Auditor General's audit report.

Further to these reporting intervals for Auditor General recommendations, annually the Municipal Auditor General provides high-level metrics during the Annual Report and Audit Priorities.

While there are many reporting intervals for Auditor General recommendations, a few issues have been identified:

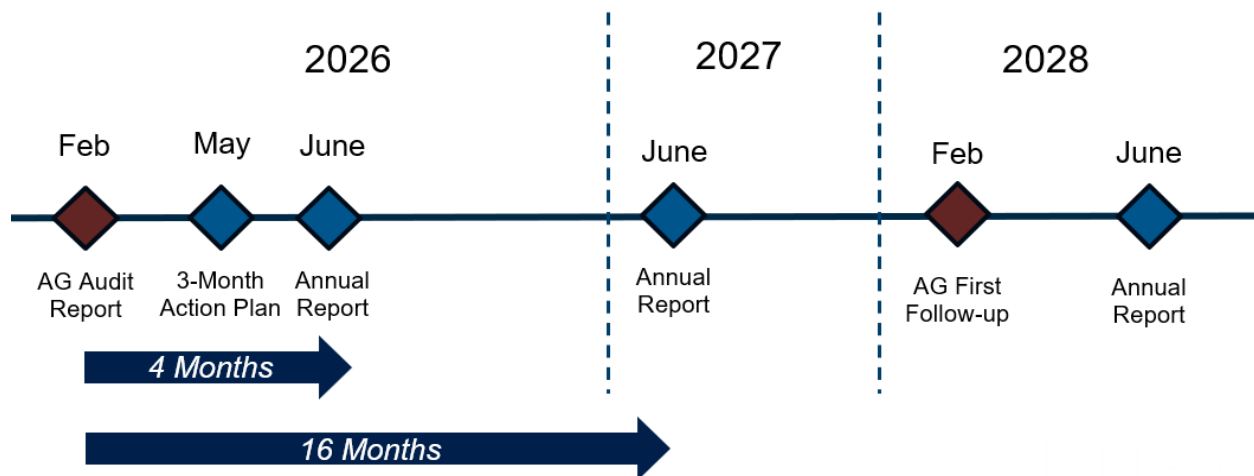
- Most of the reporting is done on an audit-by-audit basis; meaning, it is difficult for the Committee to gauge overall municipal progress towards all recommendations. A holistic view of all recommendations is required.
- Reporting following the 12-Month Status Update does not include the level of progress made on recommendations that are incomplete.

To address the gaps outlined above, it is recommended that an annual report be provided to the Committee containing the progress on all outstanding Auditor General recommendations accepted by the Municipality.

Since Council requires a 3-Month Action Plan for new Municipal Auditor General reports, these will be initially excluded from the annual reporting. After the 3-Month Action Plan is provided, these audit recommendations will be included in the annual reporting.

Currently, there is a requirement to provide a 12-Month Status Update to the Audit and Finance Standing Committee. This update report provides information only on specific audit basis and does not provide holistic information about the status of all audit recommendations. Adding the annual report to this requirement will introduce additional risk and administrative burden that may result in inconsistencies and inefficiencies. Therefore, the recommended approach is to replace the 12-Month Status Update with the annual report.

Since less than four months will have passed between the Action Plan and the annual report for audits released between January to April, the annual report will contain minimal new information for these newer audits. Therefore, the Committee will receive a more meaningful update between 15 to 18 months following the release of these audit reports. The image below provides an example of the reporting timelines for an audit report released in the month of February 2026.



It is recommended that the first annual progress report be provided to the Committee following the close of the 2025/26 fiscal year in June 2026. This reporting timeline is preferred by the Administration as it is in line with current reporting intervals.

The annual report on the outstanding recommendations would continue until either:

- (a) the Auditor General verifies completion of the Auditor General recommendation; or
- (b) the Committee directs an outstanding Auditor General recommendation be excluded from future annual reports.

To assist the Committee, the amendments allow staff to identify outstanding recommendations to exclude from future annual reports.

The proposed annual report would be provided in public unless section 19 of the HRM Charter would allow the matter to proceed in-camera.

### **FINANCIAL IMPLICATIONS**

No financial implications were identified.

### **RISK CONSIDERATION**

The annual report introduces the risk of conflicting information being reported publicly concerning Municipal Auditor General recommendations. In some cases, recommendations are considered complete by municipal business units; however, the Municipal Auditor General may conclude recommendations are incomplete.

### **COMMUNITY ENGAGEMENT**

No community engagement was required.

### **ENVIRONMENTAL IMPLICATIONS**

No environmental implications were identified.

### **ALTERNATIVES**

Regional Council could choose to:

1. Not approve the proposed amendments to Administrative Order One.
2. Amend Administrative Order One to require an annual report to the Audit and Finance Standing Committee containing the progress on all outstanding Auditor General recommendations accepted by the Municipality in addition to the existing 12-Month Status Update. If adopted, the annual report would exclude progress on new audit recommendations until the 12-Month Status update is provided to the Committee. Once the 12-Month Status update is provided, the recommendation will be included in the annual reports. If Council selects this alternative, the Attachment number in the motion would need to be changed from Attachment "2" to Attachment "4", so the motion reads as follows:

It is recommended that Halifax Regional Council adopt the amendments to Administrative Order One, the *Procedures of the Council Administrative Order*, as set out in Attachment 4 of this report.

### **LEGISLATIVE AUTHORITY**

*Halifax Regional Municipality Charter*, S.N.S. 2008, c. 39

7A The purposes of the Municipality are to

- (a) provide good government; ...

21 (1) The Council may establish standing, special and advisory committees.

(2) Each committee shall perform the duties conferred on it by this Act, any other Act of the Legislature or the by-laws or policies of the Municipality.

Administrative Order One, the *Procedures of the Council Administrative Order*, Schedule 2, Audit and Finance Standing Committee Terms of Reference:

6. Notwithstanding section 49 of the HRM Charter outlining the role, independence and reporting

relationship of the Municipal Auditor General, the Audit and Finance Standing Committee shall act as a liaison and communication link between the Auditor General and the Council

**ATTACHMENTS**

Attachment 1 – Showing Proposed Changes

Attachment 2 – Amending Administrative Order

Attachment 3 – Sample Annual Report – Outstanding Auditor General Recommendations

Attachment 4 – Amending Administrative Order for Alternative 2

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902.237.1681

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SCHEDULE 2

AUDIT AND FINANCE STANDING COMMITTEE  
TERMS OF REFERENCE

...

**Liaison**

6. Notwithstanding section 49 of the HRM Charter outlining the role, independence and reporting relationship of the Municipal Auditor General, the Audit and Finance Standing Committee shall act as a liaison and communication link between the Auditor General and the Council.

6A. (1) Subject to subsection (2), following the submission of the Auditor General report under subsections 50(6) and (7) of the HRM Charter, the CAO shall:

(a) three (3) months from the date of the submission of the Auditor General report, provide the Audit and Finance Standing Committee with a report containing an action plan for the implementation of those Auditor General recommendations accepted by the Municipality; and

(b) ~~twelve (12) months from the date of the submission of the Auditor General report, provide the Audit and Finance Standing Committee with a report containing an update on the progress of the action plan.~~ **Repeal.**

(2) Where the Committee is not scheduled to meet ~~the~~ on the third ~~or twelfth~~ month, the timeline shall be extended to the next ~~the~~ regularly scheduled meeting.

6B. (1) Commencing in the 2026-2027 fiscal year, the CAO shall provide the Audit and Finance Standing Committee with an annual report containing the progress on the outstanding Auditor General recommendations accepted by the Municipality.

(2) The annual report will only include progress on new Auditor General recommendations accepted by the Municipality after the Audit & Finance Standing Committee has received the report containing the action plan under clause 6A (1)(a).

(3) The annual report may contain a recommendation to exclude future reporting on one or more of the outstanding Auditor General recommendations.

(4) The progress on the outstanding Auditor General recommendations will continue to be reported in the annual reports until:

(a) the Auditor General verifies the recommendation is complete; or

(b) the Committee directs the exclusion of the recommendation in future reports.

**ATTACHMENT 2  
(Amending Administrative Order)**

**ADMINISTRATIVE ORDER ONE  
THE PROCEDURES OF THE COUNCIL ADMINISTRATIVE ORDER**

**BE IT RESOLVED** by the Council of the Halifax Regional Municipality that Administrative Order One, the *Procedures of the Council Administrative Order*, Schedule 2, Audit and Finance Terms of Reference, is amended, as follows:

1. Clause 6A (1)(b) is repealed.
2. Subsection 6A (2) is amended by:
  - (a) striking out the word “the” after the word “meet” and before the word “on”, and after the word “next” and before the word “regularly”; and
  - (b) striking out the words “or twelfth” after the word “third” and before the word “month”.
3. Section 6B is added immediately after section 6A and before section 7, as follows:

6B. (1) Commencing in the 2026-2027 fiscal year, the CAO shall provide the Audit and Finance Standing Committee with an annual report containing the progress on the outstanding Auditor General recommendations accepted by the Municipality.

(2) The annual report will only include progress on new Auditor General recommendations accepted by the Municipality after the Audit & Finance Standing Committee has received the report containing the action plan under clause 6A (1)(a).

(3) The annual report may contain a recommendation to exclude future reporting on one or more of the outstanding Auditor General recommendations.

(4) The progress on the outstanding Auditor General recommendations will continue to be reported in the annual reports until:

  - (a) the Auditor General verifies the recommendation is complete; or
  - (b) the Committee directs the exclusion of the recommendation in future reports.

Done and passed this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Municipal Clerk

## Annual Report – Outstanding Auditor General Recommendations

Date: November 25, 2025

Metric	Description	2023/24	2024/25	2025/26 (YTD)
% Recommendations implemented at first follow-up review - Total	% Recommendations confirmed complete by the Municipal Auditor General (AG) by <b>follow-up report release year (all audits)</b> . This includes both in-camera and public recommendations.	51%	43%	TBD*
% Recommendations implemented at first follow-up review - HRM	% Recommendations confirmed complete by the Municipal Auditor General (AG) by <b>follow-up report release year for HRM recommendations only</b> . This includes both in-camera and public recommendations.	51%	71%	TBD*

\*TBD – To be determined. This metric will be updated following the close of fiscal year 2025/26.

### Year-to-date Metrics

Completion Rate of AG Recommendations				
<b>Description:</b> The estimated percentage of <b>public</b> AG Recommendations completed (BU complete or confirmed complete by the AG) based on time since the audit report was released.				
1 to 2 years old	2 to 3 years old	3 to 4 years old	4 to 5 years old	Older than 5 years
43%	78%	92%	88%	100%

**Note:** A status of “BU Complete” indicates that the business unit has marked all items as complete without confirmation from the AG. A full [Glossary of Performance Indicators](#) is provided below.

## Outstanding Audit Recommendations

The following is a table summarizing the status of **publicly- reported** Municipal Auditor General audits with outstanding recommendations as per the legend below.

AG – Confirmed Complete (First Follow-up)

The total number of recommendations verified as complete by the Municipal Auditor General following the first follow-up review.

AG – Confirmed Complete (Second Follow-up)

The total number of recommendations verified as complete by the Municipal Auditor General following the second follow-up review.

No. Complete (BU)

The total number of recommendations considered complete by municipal business units but not verified by the Municipal Auditor General.

No. In Progress

The total number of recommendations reported by municipal business units in progress.

No. Not Started

The total number of recommendations reported by municipal business units with no progress.

Audit Information			AG – Confirmed Complete		BU Updates			Metrics	
Audit Title	Audit Release Month/Yr	Total # of Recs	First Follow-up	Second Follow-up	No. Complete (BU)	No. In Progress	No. Not Started	% Rec Complete YTD	Overall % Progress*
Management of Surplus Buildings and Land	Nov 2017	8	7	0	1	0	0	100%	100%
Payroll Management	May 2019	9	5	1	3	0	0	100%	100%
Road and Sidewalk Asset Management	June 2019	10	4	4	2	0	0	100%	100%
Halifax Regional Police Information Technology	Feb 2021	12	11	0	0	1	0	92%	98%
Management of Accounts Payable	Apr 2021	4	3	0	0	1	0	75%	99%

Audit Information			AG – Confirmed Complete		BU Updates			Metrics	
Audit Title	Audit Release Month/Yr	Total # of Recs	First Follow-up	Second Follow-up	No. Complete (BU)	No. In Progress	No. Not Started	% Rec Complete YTD	Overall % Progress*
Transit Technology Project Management	Apr 2021	4	2	1	1	0	0	100%	100%
Management of the Fire Inspection Program	Sept 2021	14	8	Pending follow-up	4	2	0	86%	99%
Management of Respectful Workplaces	June 2022	15	5	Pending follow-up	10	0	0	100%	100%
Corporate Real Estate and Sale of Industrial Lands, Land and Building Acquisition and Disposal	Dec 2022	7	5	Pending follow-up	0	2	0	71%	93%
Halifax Water: SCADA System	Mar 2023	21	10	Pending follow-up	6	5	0	76%	86%
Management of Cybersecurity	Aug 2023	16	13	Pending follow-up	0	3	0	81%	TBD <sup>1</sup>
Management of Hiring Practices	Mar 2024	17	Pending follow-up		16	1	0	94%	99%

<sup>1</sup> The percentage progress of outstanding recommendations is being reevaluated. The municipal business unit requires more information on success criteria to properly evaluate these.

Audit Information			AG – Confirmed Complete		BU Updates			Metrics	
Audit Title	Audit Release Month/Yr	Total # of Recs	First Follow-up	Second Follow-up	No. Complete (BU)	No. In Progress	No. Not Started	% Rec Complete YTD	Overall % Progress*
Management of Business Continuity	July 2024	10	Pending follow-up		4	6	0	40%	74%
Enterprise Risk Management	July 2024	14	Pending follow-up		0	14	0	0%	49%

Details for outstanding recommendations are provided below.

### Notes

- *Halifax Regional Police Information Technology* – One of twelve (12) recommendations remains outstanding. The remaining recommendation is estimated at 70% complete.
- *Management of Accounts Payable* – One out of four (4) recommendations remain outstanding. The remaining recommendation is estimated at 95% complete.
- *Transit Technology Project Management* – One of four (4) recommendations remained outstanding as per the Municipal Auditor General. The remaining recommendation is considered complete by the municipal business unit and documentation has been resubmitted for confirmation of completion to the Municipal Auditor General.
- *Management of the Fire Inspection Program* – Six (6) recommendations remain outstanding in which four (4) are considered complete by Halifax Regional Fire & Emergency and two (2) are in progress, estimated at 95% and 90% complete.
- *Corporate Real Estate and Sale of Industrial Lands, Land and Building Acquisition and Disposal* – Two (2) out of seven (7) recommendations remain outstanding; however, progress for both are estimated at 75% complete.
- *Halifax Water (SCADA System)* – Ten (10) of 21 public recommendations were confirmed complete by the Municipal Auditor General (48% complete) and it is estimated that 38% of all recommendations including in-

camera recommendations are complete. Out of the outstanding recommendations, six (6) public recommendations have been considered complete by the municipal business unit; however, require confirmation from the Municipal Auditor General. It is estimated by Halifax Water that 62% of all recommendations including in-camera recommendations are substantially complete.

- *Management of Cybersecurity* – Thirteen (13) of 16 public recommendations were confirmed complete by the Municipal Auditor General (81% complete) and it is estimated that 67% of all recommendations including in-camera recommendations are complete. The percentage progress of outstanding recommendations is being reevaluated.
- *Management of Hiring Practices* - One (1) recommendation out of seventeen (17) remains outstanding. This recommendation is 80% complete but contingent on the expansion of Employee Central access to all employees, anticipated to be part of the SuccessFactors enhancement implementations in 2026.
- *Management of Business Continuity* – Four (4) out of ten (10) recommendations are considered complete by municipal business units. The average progress (estimated percentage completion) of all recommendations is 74%.
- *Enterprise Risk Management* – No recommendations are considered complete by municipal business units. The average progress for all recommendations is estimated at 49% complete. The Enterprise Risk Management Policy is being finalized and will be implemented. A risk management training framework is in development.

## Outstanding Recommendations

Details for each of the outstanding recommendations that are greater than 12 months old and that are incomplete (status is substantially complete, in progress or not started) as of Oct. 16, 2025 are below:

Audit Title	Audit Recommendation	Status	% Est. Progress
Halifax Regional Police Information Technology	Halifax Regional Police should finalize and implement its draft information technology security policies. This should include detailed guidance on how the policies will be applied to Halifax Regional Police information technology operations.	In Progress	70%
Management of Accounts Payable	Finance, Asset Management, and Information, Communication and Technology should develop accounts payable performance measures and targets and regularly monitor and report results.	Substantially Complete	95%
Management of the Fire Inspection Program	Halifax Fire should develop and implement detailed plans, with timelines, to meet fire inspection obligations	Substantially Complete	95%
	Halifax Fire should develop and implement a system of fire inspections, including how often buildings should be inspected. Scheduling and monitoring processes should also be developed and implemented to ensure fire inspections are completed as planned.	Substantially Complete	90%
Corporate Real Estate and Sale of Industrial Lands, Land and Building Acquisition and Disposal	HRM should develop long-term plans detailing how to meet expected demand for industrial lands, including estimates of when lands will be ready for sale. This should include implementing key recommendations from the 2020 consultant report on HRM's industrial land strategy.	In Progress	75%

Audit Title	Audit Recommendation	Status	% Est. Progress
	Property, Fleet and Environment and Planning and Development should work together to develop detailed plans, with estimated timelines, for completing all work required to expand Aerotech, Ragged Lake, and Phase 14 of Burnside Business Parks.	In Progress	75%
Halifax Water: SCADA System	Halifax Water should document and implement its SCADA cybersecurity procedures. This should include developing plans and timelines for when they will be complete.	In Progress	25%
	Halifax Water should develop policies and procedures to manage physical access, including regular monitoring.	In Progress	50%
	Halifax Water should review existing physical access and remove access that is not required for an individual's job.	In Progress	75%
	Halifax Water should identify and document all critical SCADA assets, including determining the number of spare parts to keep on hand. This should be linked to contingency plans.	In Progress	25%
	Halifax Water should develop and implement a process to track and manage inventory of spare parts.	In Progress	25%
	Management of Cybersecurity	Information Technology management should develop and implement policies and related procedures to address key cybersecurity risks.	Substantially Complete
Information Technology management should implement a process to receive and review vendor security submissions in a		Substantially Complete	95% <sup>1</sup>

Audit Title	Audit Recommendation	Status	% Est. Progress
	timely manner. Management should clearly assign responsibility for the process.		
	Information Technology management should develop and implement an asset management process to ensure assets are identified, inventoried, and managed.	Substantially Complete	95% <sup>1</sup>
Management of Hiring Practices	HRM should identify necessary workforce equity data and develop a plan to collect and maintain it, analyze and assess trends, and use this information to inform plans to address areas of under-representation in the organization.	Substantially Complete	80%
Management of Business Continuity	Community Safety management should develop and implement a corporate business continuity plan, including a corporate list of prioritized services.	In Progress	60%
	Community Safety management should develop, implement, and communicate business continuity policies and procedures, including plan development, review, testing and exercising, and training requirements.	In Progress	70%
	Community Safety management should develop and roll out guidance and training for business continuity for the organization.	In Progress	50%
	Community Safety management should develop and implement a corporate business continuity exercise program to ensure corporate and business unit business continuity plans are tested and/or exercised appropriately. This should include ensuring the right staff and management are involved in exercises and	In Progress	50%

Audit Title	Audit Recommendation	Status	% Est. Progress
	lessons learned are documented and incorporated into plans in a timely manner.		
	HRM management should ensure business units complete business impact analyses, including revisiting them at planned intervals or when there has been a significant change that may impact it.	In Progress	60%
	HRM management should ensure business units develop and implement documented business continuity plans that address risks and priorities identified in their business impact analysis. This should include revisiting them at planned intervals or when there has been a significant change that may impact the plan.	In Progress	50%
Enterprise Risk Management	Risk and Insurance should implement relevant policies and processes focused on risk management oversight responsibilities to help ensure required tasks are performed by all relevant parties.	In Progress	75%
	Risk and Insurance should ensure there is a periodic review of the Enterprise Risk Management program, and the result of the assessment is accurately reported to those charges with governance.	In Progress	75%
	Risk and Insurance should ensure key roles and responsibilities are established, clearly defined, and communicated to all parties involved in the risk management process.	In Progress	75%

Audit Title	Audit Recommendation	Status	% Est. Progress
	Risk and Insurance should review the current risk management framework, make relevant updates, and determine a schedule for periodic subsequent reviews.	In Progress	75%
	Risk and Insurance should develop risk management policies and procedures to support the ERM framework and provide guidance on risk management practices across HRM.	In Progress	75%
	Risk and Insurance should ensure an appropriate risk identification process is incorporated in the risk management framework.	In Progress	50%
	Risk and Insurance should work with all business units to ensure relevant, existing controls are documented and assessed for effectiveness.	In Progress	15%
	Risk and Insurance should work with all business units to develop appropriate structured risk treatment plans and ensure risks remaining after treatment are periodically assessed and documented. Clear treatment approach should also be documented, and the risk register updated accordingly.	In Progress	30%
	Risk and Insurance should ensure there is a documented process to measure enterprise risk management performance, including having specific monitoring and reporting plans for significant risks.	In Progress	10%

Audit Title	Audit Recommendation	Status	% Est. Progress
	HRM should ensure there is a standardized and consistent operational risk management process to ensure risks are appropriately identified and managed.	In Progress	50%
	HRM should ensure the risk management processes include a requirement to monitor and report operational risks by all relevant parties.	In Progress	70%
	HRM should ensure appropriate documentation and records are maintained for key operational risk management practices.	In Progress	50%
	Risk and Insurance should develop an appropriate training program for the organization.	In Progress	20%
	Risk and Insurance should ensure risk management training is periodically offered to all HRM employees and elected officials. The training should be mandatory for all parties performing key risk management responsibilities.	In Progress	20%

### Glossary of Performance Indicators

Performance Indicator	Description	Why we measure	Logic
<b>% Recommendations implemented at first follow-up review - Total</b>	% Recommendations confirmed complete by the Municipal Auditor General (AG) <b>by first follow-up report release year (all audits)</b> .	The Municipal Auditor General has set a target of 80% completion rate at the first follow-up audit report. This indicator monitors the	Based on the year of a first follow-up, it is the sum of all AG recommendations confirmed as complete by the AG divided by the total recommendations for the audits that received a follow-up

Performance Indicator	Description	Why we measure	Logic
	This includes both in-camera and public recommendations.	completion rate against this goal.	in that fiscal year. This measure includes external agencies.
<b>% Recommendations implemented at first follow-up review - HRM</b>	% Recommendations confirmed complete by the Municipal Auditor General (AG) <b>by first follow-up report release year for HRM recommendations only</b> . This includes both in-camera and public recommendations.	The Municipal Auditor General has set a target of 80% completion rate at the first follow-up audit report. This indicator monitors the completion rate against this goal.	Based on the year of a first follow-up, it is the sum of all AG recommendations confirmed as complete by the AG divided by the total recommendations for the audits that received a follow-up in that fiscal year. This measure excludes external agencies.
<b>Completion Rate of AG Recommendations</b>	The estimated percentage of AG Recommendations completed (BU complete or confirmed complete by the AG) based on time since the audit report was released.	Provides updated insights on the completion of recommendations and the time required to complete all recommendations for audits.	Based on time intervals since the audit report was released, it is the sum of all complete recommendations (BU complete or confirmed complete by the AG) divided by the total number or recommendations.
<b>% Rec Complete YTD</b>	The percentage of recommendations that are considered complete by municipal business units (BU complete or confirmed complete by the AG) for the current reporting period.	Provides updated insights on the completion of recommendations on an audit-by-audit basis.	For each audit, the total recommendations considered complete by business units or confirmed complete by the AG divided by the total recommendations.
<b>Overall % Progress</b>	The Overall % Progress is the average of the estimated	Provides updated insights on the progress made towards completing all recommendations on an audit-by-audit basis. This	For each audit, the average of the percentage estimated progress for all recommendations.

Performance Indicator	Description	Why we measure	Logic
	percentage of progress made for all recommendations.	indicator represents the percentage of the work completed of the total work required.	
<b>Est. % Progress</b>	The estimated work completed versus the estimated work required to complete the recommendation, expressed as a percentage.	Provides information about the level of work completed to complete a recommendation and aids in gauging when a recommendation will be complete.	The sum of required effort divided by the estimated required effort to complete the recommendation.

**ATTACHMENT 4**  
**(Amending Administrative Order for Alternative 2)**

**ADMINISTRATIVE ORDER ONE**  
**THE PROCEDURES OF THE COUNCIL ADMINISTRATIVE ORDER**

**BE IT RESOLVED** by the Council of the Halifax Regional Municipality that Administrative Order One, the *Procedures of the Council Administrative Order*, Schedule 2, Audit and Finance Terms of Reference, is amended as follows:

1. Subsection 6A (2) is amended by striking out the word “the” after the word “meet” and before the word “on”, and after the word “next” and before the word “regularly”.
2. Section 6B is added immediately after section 6A and before section 7, as follows:
  - 6B. (1) Commencing in the 2026-2027 fiscal year, the CAO shall provide the Audit and Finance Standing Committee with an annual report containing the progress on the outstanding Auditor General recommendations accepted by the Municipality, except for the progress on the recommendations where section 6A of this Schedule applies.
  - (2) The annual report may contain a recommendation to exclude future reporting on one or more of the outstanding Auditor General recommendations.
  - (3) The progress on the outstanding Auditor General recommendations will continue to be reported in the annual reports until:
    - (a) the Auditor General verifies the recommendation is complete; or
    - (b) the Committee directs the exclusion of the recommendation in future reports.

Done and passed this \_\_\_\_ day of \_\_\_\_\_, 2026.

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Municipal Clerk