




CITY OF HAMILTON
OFFICE OF THE AUDITOR GENERAL

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	December 7, 2023
SUBJECT/REPORT NO:	Equity, Diversity, and Inclusion Audit (AUD23013) (City Wide)
WARD(S) AFFECTED:	City Wide
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SUBMITTED BY:	Charles Brown CPA, CA Auditor General Office of the Auditor General
SIGNATURE:	

RECOMMENDATION

- (a) That Appendix "A" attached to Report AUD23013, respecting Equity, Diversity, and Inclusion Audit be received;
- (b) That the Management Response, as detailed in Appendix "B" to Report AUD23013 be approved; and
- (c) That the City Manager be directed to implement the Management Responses (attached as Appendix "B" to Report AUD23013) and report back to the Audit, Finance and Administration Committee by December 2024 on the nature and status of actions taken in response to the audit report including the provision of expected completion dates for all items that have completion dates listed as "unknown".

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

EXECUTIVE SUMMARY

On February 19, 2019, Hamilton City Council passed a motion containing seven directions to City staff, including “staff be directed to prepare a report on the steps that would be required to implement an equity-diversity-and-inclusion lens framework to City policy and program development, practices, service delivery, budgeting, business planning and prioritization...”

This motion complemented the 2018-2022 Term of Council Priorities which included Equity, Diversity, and Inclusion (EDI) with the stated goal of “equity-seeking communities will feel safe, supported and have an enhanced sense of belonging through strengthening community capacity, City responsiveness and creating inclusive engagement opportunities.” This priority was also aligned with the 2016-2025 Strategic Plan high-level priorities of Community Engagement & Participation and Culture and Diversity.

The Office of the Auditor General (OAG) performed an audit that evaluated and assessed the management of progress made on EDI efforts at the City of Hamilton resulting from this Council direction.

The audit included the following three areas:

- Internal EDI assessed the EDI Framework and work related to its implementation within the organization by the Human Resources’ Division’s Talent and Diversity’s Section (HR EDI).
- External EDI (Community EDI) assessed EDI-related efforts led by the Office of Government and Community Relations in Hamilton, with a focus on community engagement, e.g. supporting Urban Indigenous Strategy implementation and citizen advisory groups such as the Committee against Racism.
- Service Delivery assessed whether EDI has been embedded into City services delivered to residents and businesses.

Overall, the OAG sought to answer the question “Is the City set up for a successful implementation of EDI throughout the organization?”.

We sought to answer this question by focusing our work in three areas, 1-internally, as an employer, 2-when engaging with the community in community and public engagement, and 3-in City service delivery.

The OAG finds that the City is not currently set up for assured success. Some progress has been made, but more needs to be done, particularly for some fundamental items that are required as the foundation of EDI efforts at the City of Hamilton.

Alternatives for Consideration – Not Applicable

FINANCIAL – STAFFING – LEGAL IMPLICATIONS

Financial: None.

Staffing: None.

Legal: None.

HISTORICAL BACKGROUND

The Office of the Auditor General (OAG) had a Diversity, Equity and Inclusion Audit on the 2019-2022 Term of Council Work Plan (AUD19007).

POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS

Accessibility for Ontarians with Disabilities Act, 2005, S.O. 2005, c.11

Human Rights Code, R.S.O. 1900, c. H.19

RELEVANT CONSULTATION

Appendix “B” to Report AUD23013 includes responses from management responsible in the Human Resources Division and the Office of Government and Community Relations, both of which are part of the City Manager’s Office Department.

Various other staff and management across all departments were consulted as required for this audit.

ANALYSIS AND RATIONALE FOR RECOMMENDATION

The audit objective was to assess whether the City has a sound plan and strategy, as well as management of the tools and resources to support and achieve the EDI goals as stated in 2018-2022 Council Terms of Priorities, that “equity-seeking communities will feel safe, supported and have an enhanced sense of belonging through strengthening community capacity, City responsiveness and creating inclusive engagement

opportunities.” At the time of audit fieldwork, the 2023-2026 Term of Council Priorities had not yet been finalized.

The Office of the Auditor General found that though there are many examples of good efforts towards EDI implementation throughout the organization in all areas reviewed by OAG, they tend to lack clear objectives and purpose, are disparate, and often siloed. It is our view that the City needs a sound strategy and project plan in place to implement EDI across the organization including: as an employer, in community and public engagement efforts, and in the delivery of city services to residents and businesses.

However, there have been numerous good efforts made by staff across the organization that forms the foundation for further EDI work, which will be strengthened with the provision of clear corporate direction including the development of objectives and executable strategies, and the provision of effective tools and resources.

The Audit Report summarizing our findings can be found at Appendix “A” to Report AUD23013.

The OAG made 33 recommendations to strengthen EDI processes at the City of Hamilton, these can be found in Appendix “B” to Report AUD23013.

Management agreed with all 33 recommendations, however, the Office of the Auditor General finds that the management responses were more focused on past, rather than future actions that will be taken and is looking forward to seeing more future-oriented plans in the status update that is expected to be provided by December 2024.

The OAG also takes issue with the characterization in Appendix “B” that our recommendations are indicative of a Level 5 in the relevant maturity model. The OAG does not prescribe or assume any particular level in making its recommendations. We believe that regardless of the level of maturity that is selected for implementation, the fundamentals that our findings are based on: good governance, sound project management, proactive risk assessment, and robust change management are gaps to be addressed, with the recommendations we have provided, and no matter the desired level of maturity.

The Recommendations and Management Responses can be found in Appendix “B” to Report AUD23013.

ALTERNATIVES FOR CONSIDERATION

None.

ALIGNMENT TO THE 2016 – 2025 STRATEGIC PLAN

Community Engagement and Participation

Hamilton has an open, transparent and accessible approach to City government that engages with and empowers all citizens to be involved in their community

Economic Prosperity and Growth

Hamilton has a prosperous and diverse local economy where people have opportunities to grow and develop.

Healthy and Safe Communities

Hamilton is a safe and supportive City where people are active, healthy, and have a high quality of life.

Built Environment and Infrastructure

Hamilton is supported by state-of-the-art infrastructure, transportation options, buildings and public spaces that create a dynamic City.

Culture and Diversity

Hamilton is a thriving, vibrant place for arts, culture, and heritage where diversity and inclusivity are embraced and celebrated.

Our People and Performance

Hamiltonians have a high level of trust and confidence in their City government.

APPENDICES AND SCHEDULES ATTACHED

Appendix “A” to Report AUD2301 – Equity, Diversity, and Inclusion Audit Report

Appendix “B” to Report AUD23013 – Recommendations and Management Responses