



City of Hamilton Report for Consideration

To: Chair and Members
Audit, Finance and Administration Committee

Date: April 10, 2025

Report No: AUD21004(b)

Subject/Title: Cyber Security Follow Up Audit – Additional Public Disclosure

Ward(s) Affected: (City Wide)

Recommendations

- 1) That Report AUD21004(b) respecting Cyber Security Follow Up Audit – Additional Public Disclosure **BE RECEIVED** for information.

Key Facts

- The Office of the Auditor General (OAG) is conducting a Cyber Security Follow Up Audit.
- The OAG's Cyber Security Audit was issued in April 2021.
- The OAG will issue the Follow Up Audit results to this Committee when completed
- This report provides a public summary of the Cyber Security Audit Follow Up Audit's planning phase.

Financial Considerations

Not applicable.

Background

At the January 16, 2025 Audit, Finance and Administration meeting (and then ratified at the January 22, 2025, the following direction was received:

“That staff review the content of Confidential Appendix “A” to Report AUD21004(a) and release any information that can be released to the public.” Report AUD21004(a) refers to OAG’s original Cybersecurity Audit Report that was confidential and presented in-camera.

Analysis

The Office of the Auditor General typically completes follow up audits of value for money audits approximately 36 months after the original audit was issued, in order to provide sufficient time for major system and transformational changes to occur.

Report AUD21004 Cyber Security Audit was originally issued in April 2021, and a follow-up was planned for the second half of 2024. The City of Hamilton experienced a major cyber security incident (a ransomware attack) in late February 2024.

In August 2024 as the cyber security incident response moved into the “Recover” phase, the OAG began planning the Cyber Security Follow Up Audit. The OAG has engaged Valencia Risk to provide independent, confidential advice to our Office. Valencia provided confidential, independent advice for the original Cyber Security Audit in 2021.

As of early 2025, the research and planning phase of the follow up audit has been completed and will be moving into the fieldwork phase. The OAG will report the follow up audit findings to the Audit, Finance and Administration Committee when the follow up audit has concluded.

Alternatives

Not applicable.

Relationship to Council Strategic Priorities

Discuss how the recommendation(s) will strategically enforce/improve that priority (why this report is being brought forward).

See [2022-2026 Council Priorities, Outcomes & Measures of Success | City of Hamilton](#) for more information on Council’s Priorities.

3. Responsiveness & Transparency
 - 3.3. Build a high performing public service
 - 3.4. Modernize City systems

Previous Reports Submitted

- Report AUD21004 Cyber Security Audit, April 22, 2021 Audit, Finance and Administration Committee meeting
- Report AUD21004(a) Cyber Security Follow Up Audit – Planning Summary, January 16, 2025 Audit, Finance and Administration Committee meeting

Consultation

The Acting Chief Information Officer, the General Manager of Finance and Corporate Services, Director of Information Technology, Director of Hamilton Water were all informed that the Cyber Security Follow Up Audit was commencing. The City Solicitor was consulted on the appropriate level of disclosure regarding OAG's confidential findings and subsequent follow-up strategy.

Appendices and Schedules Attached

Appendix A: Cyber Security Follow Up Audit - Planning Summary – Public Report.

Prepared by: Brigitte Minard, Deputy Auditor General
Office of the Auditor General

Submitted and recommended by: Charles Brown, Auditor General
Office of the Auditor General