

Response to the Report of the Green Ribbon Panel



Office of the Auditor General of Canada
Bureau du vérificateur général du Canada

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Response to the Report of the Green Ribbon Panel

In 2007, the Auditor General of Canada asked an independent panel of experts—the “Green Ribbon Panel”—to examine implementation of the Office of the Auditor General’s (OAG) environment and sustainable development mandate to date, and explore opportunities within the mandate that would allow us to serve Parliament better.

In its report, *Fulfilling the Potential*¹ the Green Ribbon Panel made nine recommendations, all of which were accepted by the Auditor General. This short report provides follow-up information on the status of implementation of those nine recommendations. Appendix 1 presents each recommendation, response, and details on addressing the recommendation.

We have adopted the Panel’s first recommendation—“that the Commissioner make full use of the existing mandate to draw parliamentary and public attention to key environmental and sustainable development issues”—as the overarching principle of our strategies and workplans for addressing all of the recommendations.

Notably recommendations 3 and 4 relate to the appointment of the Commissioner. They were addressed as part of the appointment process of the new Commissioner, who the Auditor General appointed in May 2008.

The rest of this report explains the actions our Office has taken or will take to address the Panel’s recommendations.

Considering the environment and sustainable development

The report of the Green Ribbon Panel notes that the Commissioner’s mandate includes both the environment and sustainable development. It recommends that, as a priority, the Commissioner articulate how he will factor sustainable development into his work plan. Accordingly, determining what sustainable development means in the context of our work is a significant priority.

1. The full report *Fulfilling the Potential—A Review of the Environment and Sustainable Development Practice of the Office of the Auditor General of Canada* (2008) can be found on the OAG website at www.oag-bvg.gc.ca.

Advancing our capacity to factor sustainable development into our audits of management practice and performance involves a key step: identifying practices, information, and analytical techniques that are useful in managing sustainable development. In effect, these practices and techniques could be used to define good management criteria for sustainable development.

In view of the 2008 *Federal Sustainable Development Act*, which calls for the implementation of an overarching federal government strategy to advance sustainable development, the Commissioner will prepare a study that identifies good management approaches and decision-making practices related to sustainable development. The study will be released in early 2010. Its objective is two-fold: first, to inform parliamentarians of current and emerging practices related to sustainable development; and second, to begin the process of identifying criteria that could be applied in future performance audits of federal programs.

Using non-audit products

The Green Ribbon Panel recommended greater use of non-audit products. In implementing this recommendation, the Commissioner will make use of a variety of non-audit products, including studies and background papers, in order to provide relevant information to parliamentarians on environmental and sustainable development issues. The study on sustainable development is the first in a series of non-audit products the Commissioner will carry out over the coming years.

Integrating environmental and sustainable development considerations into the OAG's work

Based on The Office's 2007–2009 *Sustainable Development Strategy*, we have already taken a number of steps to integrate environmental and sustainable development considerations into the work plans of every audit group in the OAG. These include

- establishing an Environment and Sustainable Development Specialist Team,
- supporting professional development courses for OAG performance auditors, and
- preparing an environmental risk assessment guide for non-specialist audit practitioners to assist them in factoring environmental and sustainable development risks into their audit planning.

Of particular note, the Environment and Sustainable Development Specialist Team interacts with audit teams across the Office to assess the environmental risks associated with the government activities that they audit. Environmental specialists provide guidance to audit teams on environmental criteria that can be applied to performance audits. Consulting with the Environment and Sustainable Development Specialist Team during the planning stage of every performance audit is now a mandatory audit practice at the OAG.

Reporting our work

The goal of the OAG's reporting strategy is to plan the timing of our reports to best accommodate the parliamentary calendar, to report in a format that responds to the needs of parliamentarians, and to enhance the visibility of the Commissioner's reports.

In 2007 and 2008, the Commissioner reported concurrently with the Auditor General. We believe that this approach increases public and parliamentary attention on the Commissioner's work. We will continue to evaluate our experiences and, in consultation with parliamentarians, determine the best approach to serving their needs. We will also continue to include environmental and sustainable development issues in the Office's overall audit work and in the Auditor General's reports to Parliament.

Working with parliamentarians

When a new Parliament begins, the Auditor General and the Commissioner meet with each member of the public accounts and environment and sustainable development committees to explain the Office's role in serving their needs and to get a sense of members' particular interests and concerns. They also meet regularly with the chairs and vice chairs of parliamentary committees to discuss key issues covered in the Office's reports, and participate periodically in caucus briefings with each of the official political parties represented in the House of Commons to tell them about the Office's work and get their perspectives on current issues.

Soon after the OAG tables a report in the House of Commons, senior managers in the Office, including those in the Commissioner's group, are expected to meet with parliamentary committee researchers to brief them on key findings that may be of interest to the committees they serve. The Auditor General or the Commissioner will participate in briefings or hearings with parliamentarians upon request on any matter that we have recently audited.

Our Parliamentary Liaison team also responds to requests from parliamentarians to ensure that the Office's work serves their needs related to holding the government to account. The Auditor General and the Commissioner regularly appear before the Standing Committee on Public Accounts, the Standing Committee on the Environment and Sustainable Development, and other parliamentary committees to provide information on our work.

Increasing staff interaction and exchange

Recommendation 8 of the Green Ribbon Panel's report addresses the need to enhance the interaction and exchange of staff between the Commissioner's group and the rest of the Office. We are making every effort to ensure that the Commissioner and his group are fully integrated in the management and administration of the Office and in all aspects of the decision-making process, including the planning, selection, conduct, and reporting of the Office's work.

As part of our professional practice, we routinely rotate senior management and staff among groups in the Office, including the Commissioner's group. This practice not only ensures that staff remain objective about the organizations they audit but also promotes awareness of environmental management and sustainable development issues and supports implementation of good practices across the Office. In the past several years, about a dozen senior managers have rotated between the Commissioner's group and other audit groups within the Office.

Appendix 1—Recommendations, responses, and actions

This appendix provides the recommendations of the Green Ribbon Panel, responses of the Auditor General of Canada, and details on how the Office of the Auditor General (OAG) has addressed each recommendation.

Recommendation 1

That the Commissioner make full use of the existing mandate to draw parliamentary and public attention to key environmental and sustainable development issues.

Auditor General’s response. Agreed.

We plan to revisit our strategy for implementing the mandate given to us by Parliament in 1995. As part of this process, we will develop options for consideration by the next Commissioner and the Auditor General on how to make full use of our mandate in environmental and sustainable development issues.

OAG action to address this recommendation. This recommendation has been adopted as the overarching principle of our strategies and work plans for environmental and sustainable development issues. We are endeavouring to make full use of the existing mandate as we move forward.

Recommendation 2

That the Commissioner’s role be understood to include advocacy for good environmental management and the promotion of good practices across the federal government.

Auditor General’s response. Agreed.

We will look for opportunities to expand our efforts to advocate the development of good environmental management practices by the government. We will also work with the government to identify and promote good practices in the management of environmental and sustainable development issues.

OAG action to address this recommendation. The Commissioner is planning to deliver a study by Spring 2010. Through the study, the Commissioner will advocate and promote good management practices for sustainable development.

Recommendation 3

That the Commissioner be appointed for a fixed seven-year non-renewable term.

Auditor General's response. Agreed.

We will incorporate this recommendation into the process for appointing the next Commissioner.

OAG action to address this recommendation. This recommendation was addressed as part of the appointment process for the new Commissioner.

Recommendation 4

That the Auditor General consult informally with parliamentarians before appointing a new Commissioner.

Auditor General's response. Agreed.

The Auditor General will consult with parliamentarians before appointing a new Commissioner.

OAG action to address this recommendation. This recommendation was addressed as part of the appointment process for the new Commissioner.

Recommendation 5

That there continue to be a separate and distinct Commissioner's report referred to the House of Commons Standing Committee on Environment and Sustainable Development.

At the same time, we encourage the Auditor General to continue to include environmental and sustainable development issues in the Office's overall audit work and in her reports to Parliament. We believe it is useful to experiment with reporting formats, timing, and

venues to enhance the visibility and impact of the Office’s environmental and sustainable development work.

Auditor General’s response. Agreed.

The Commissioner’s report will continue to be separate and distinct. The goal of our strategy for tabling reports is to plan the timing and frequency of our reports in a way that best accommodates the parliamentary calendar. With that in mind, we agree with the Panel that “it is useful to experiment with reporting formats, timing, and venues to enhance the visibility and impact of the Office’s environmental and sustainable development work” and we will continue to do so.

As we go forward, we will evaluate our recent experiences and, in consultation with Parliament, we will determine the best approach for serving Parliament. We will also continue to include environmental and sustainable development issues in the Office’s overall audit work and in the Auditor General’s reports to Parliament.

OAG action to address this recommendation. Please refer to page 3 of this report, “Reporting Our Work.” As part of our quality management system and continuous improvement process, we are continually looking for ways to improve how we serve Parliament with our reports.

Recommendation 6

That the Auditor General and Commissioner approach parliamentarians to discuss how best to make use of the Commissioner’s reports in supporting parliamentary oversight.

Auditor General’s response. Agreed.

Within the first year of the next Commissioner’s appointment, the Auditor General and the Commissioner will approach the appropriate parliamentary committees to discuss how best to make use of the Commissioner’s reports in supporting parliamentary oversight.

OAG action to address this recommendation. Please refer to page 3 of this report, “Working with parliamentarians.”

Recommendation 7

That non-audit products such as studies and guidance continue to be included in the Commissioner's environmental and sustainable development work plan.

Auditor General's response. Agreed.

Studies and guidance are part of our practice; they will continue to be. As we revisit our strategy, we will consider opportunities to make greater use of non-audit products in the Commissioner's work.

OAG action to address this recommendation. The study currently under way by the Commissioner (slated for release in Spring 2010) and other planned work will respond to this recommendation.

Recommendation 8

That the interaction and exchange of staff between the Commissioner's team and other groups in the Office continue to be enhanced, including in the selection, planning, and conduct of the Office's work.

Auditor General's response. Agreed.

The Commissioner and his team are fully integrated in the management and the administration of the Office and in all aspects of the decision-making process, including the planning, selection, conduct, and reporting of all our work. This will be maintained as we move forward and enhanced whenever possible.

OAG action to address this recommendation. Please refer to page 4 of this report, "Increasing staff interaction and exchange." In the past several years, about a dozen senior managers have been rotated among the Commissioner's group and other groups within the Office.

Recommendation 9

That the next Commissioner, as a priority for early in the mandate, articulate how sustainable development will be factored into his or her work plan.

Auditor General's response. Agreed.

In conjunction with revisiting our strategy, we will develop options for consideration by the Auditor General and the new Commissioner on how sustainable development might be factored further into the Commissioner's work plan.

OAG action to address this recommendation. The Commissioner is carrying out a study that will identify good management practice, including approaches and analytical techniques and the type of information necessary to support sustainable development. The study will help to identify audit criteria that could be factored into our work plans for future performance audits of federal programs.

