



AUDITOR GENERAL'S REPORT ACTION REQUIRED

Municipal Licensing and Standards, Investigation Services Unit – Efficiencies Through Enhanced Oversight

Date:	January 30, 2013
To:	Audit Committee
From:	Auditor General
Wards:	All
Reference Number:	

SUMMARY

The Auditor General's Work Plan included a review of the Investigation Services Unit in Municipal Licensing and Standards Division. The objective of this review was to assess controls related to by-law enforcement activities performed by the Investigation Services Unit. In addition, the review explored opportunities for operations to become more effective and efficient.

The central theme throughout this report relates to the lack of effective management oversight in the Investigation Services Unit both at the financial and at the operational level. The lack of oversight has resulted in:

- A less than effective and efficient organization
- Non compliance with certain policies and procedures
- Less than reliable and complete financial and management information.

This report contains 13 recommendations along with a management response to each of the recommendations. Implementation of the recommendations will significantly improve the administration of the City's response to by-law complaints.

RECOMMENDATIONS

The Auditor General recommends that:

1. City Council request the Executive Director, Municipal Licensing and Standards to:

- a. review and, where appropriate, amend individual and organizational performance objectives particularly those pertaining to emergency complaints
 - b. develop a quality assurance program to ensure that there is an ongoing review of staff's performance against objectives
 - c. ensure that appropriate action is taken to address performance which does not meet the established standard.
2. City Council request the Executive Director, Municipal Licensing and Standards to:
 - a. develop and document organizational expectations for recording the progress and closure of investigations
 - b. develop a management oversight process to ensure that policies and procedures and expectations are complied with. Particular emphasis be placed on the review of all emergency related complaints. The oversight process include appropriate levels of documentation and evidence of supervisory approval
 - c. develop a process to ensure that investigations are assigned to appropriate staff with particular emphasis on reallocating files from staff who are absent for significant periods of time.
3. City Council request the Executive Director, Municipal Licensing and Standards to:
 - a. develop and implement a formal training plan for all Municipal Standards Officers
 - b. maintain documentation relating to training received for all Municipal Standards Officers
 - c. training records be reviewed by management on a regular basis to confirm that all Municipal Standards Officers have received an appropriate level of training.
4. City Council request the Executive Director, Municipal Licensing and Standards to:
 - a. review the ongoing allocation of workload of Municipal Standards Officers with a view to ensuring there is an equal distribution of work load
 - b. consider changing the current hours of work to correspond better with the times when most owners of properties are available
 - c. re-evaluate the requirement for Municipal Standards Officers to physically attend the office at the beginning and end of every shift.
5. City Council request the Executive Director, Municipal Licensing and Standards, in consultation with the General Manager, Parks, Forestry and Recreation to determine if tree complaints can be addressed more efficiently.
6. City Council request the Executive Director, Municipal Licensing and Standards to review opportunities to increase the use of standard checklists on remote devices used by Municipal Standards Officers.

7. City Council request the Executive Director, Municipal Licensing and Standards to resolve the current network connectivity problems pertaining to the remote telecommunication devices.
8. City Council request the Executive Director, Municipal Licensing and Standards to report back to Council, as outlined in the 2013 budget request, on the results of the pilot project providing corporate vehicles to Municipal Standards Officers.
9. City Council request the Executive Director, Municipal Licensing and Standards and the Chief Information Officer to enhance the Municipal Licensing and Standards Division billing process for enforcement activities in a manner that ensures such information is readily available to enforcement staff. Such enhancements to ensure:
 - a. billings are done on a timely basis
 - b. billings are complete and accurate
 - c. billing information is readily available in IBMS
 - d. the process is automated to increase efficiencies.
10. City Council request the Executive Director, Municipal Licensing and Standards, in consultation with the City Solicitor, to make the necessary changes to the Municipal Code to allow for the waiving of fees where appropriate.
11. City Council request the Executive Director, Municipal Licensing and Standards to ensure that re-inspection fees are billed to property owners as required by the Municipal Code.
12. City Council request the Executive Director, Municipal Licensing and Standards to establish adequate policies, procedures to ensure recovery of remedial costs incurred by the City.
13. City Council request the Deputy City Manager and Chief Financial Officer to clarify with divisional staff the requirement to report all account write-offs to City Council.

Financial Impact

The implementation of recommendations in this report will improve the administrative controls over operating activities in the Investigation Services Unit. The extent of any resources required or potential cost savings resulting from implementing the recommendations in this report is not determinable at this time.

COMMENTS

The Investigation Services Unit employs Municipal Standards Officers who enforce a variety of City by-laws. The Officers inspect and investigate in response to complaints to ensure compliance with legislative requirements and to maintain a high level of public safety, neighbourhood integrity and cleanliness.

The 2012 approved gross operating budget for the Investigation Services Unit is \$20.3 million with budgeted revenues of \$2.6 million for a net operating budget of \$17.7 million. The approved complement for the Unit was 210 staff positions.

The audit report entitled “Municipal Licensing and Standards, Investigation Services Unit – Efficiencies Through Enhanced Oversight” is attached as Appendix 1. Management’s response to the audit recommendations is attached as Appendix 2.

CONTACT

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SIGNATURE

Jeff Griffiths, Auditor General

ATTACHMENTS

- Appendix 1: Municipal Licensing and Standards, Investigation Services Unit – Efficiencies Through Enhanced Oversight
- Appendix 2: Management’s Response to the Auditor General’s Review of Municipal Licensing and Standards, Investigation Services Unit – Efficiencies Through Enhanced Oversight