

**REPORT FOR ACTION****Interim status report on Fire and Life Safety**

Date: May 6, 2019

To: General Government and Licensing Committee

From: Deputy City Manager, Corporate Services

Wards: All

SUMMARY

This report provides an update on the work completed to date to address the recommendations made by the Auditor General in the report titled "Raising the Alarm: Fraud Investigation of a Vendor Providing Life Safety Inspection Services to the City of Toronto" and provides an overview of the 2019 work plan being delivered by the new City-Wide Fire & Life Safety Program Office. The implementation of these recommendations will increase the current state of fire and life safety compliance at City facilities and will enhance the overall culture of fire and life safety.

RECOMMENDATIONS

The Deputy City Manager, Corporate Services recommends that the General Government and Licensing Committee receive this report for information.

FINANCIAL IMPACT

There are no financial implications as a result of this report.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on July 23, 24, and 25, 2018, City Council adopted a report from the Auditor General titled "Raising the Alarm: Fraud Investigation of a Vendor Providing Life Safety Inspection Services to the City of Toronto". This report detailed the Auditor General's investigation findings into a vendor that had many contracts for fire and life

safety inspections in City buildings and made 17 recommendations. The report can be found through the following hyperlink:

<https://www.toronto.ca/legdocs/mmis/2018/au/bgrd/backgroundfile-117986.pdf>

COMMENTS

Findings by the Auditor General

The report from the Auditor General titled "Raising the Alarm: Fraud Investigation of a Vendor Providing Life Safety Inspection Services to the City of Toronto" made 17 recommendations in three main areas: documentation, contractor management, and strengthening the life safety industry. The recommendations in the areas of documentation and contractor management were mostly addressed to the General Manager, Facilities Management, while the recommendations on strengthening the life safety industry were mostly addressed to the Fire Chief.

As it pertains to documentation, the Auditor General determined that the documentation and audit trail to prove that life safety inspections are done and deficiencies are rectified needed improvement and that City staff needed to have a better understanding of why documentation is important and required under the Ontario Fire Code. As it pertains to contractor management, the Auditor General stressed the need to perform sufficient due diligence on vendors before awarding contracts and to address issues that are raised.

The Auditor General stated that the findings in the report do not necessarily mean that City buildings are unsafe, or that all vendors conducting life safety inspections are problematic.

Governance and Mandate

Fire & Life Safety Task Force

As a result of the report from the Auditor General and in order to expedite Fire & Life Safety (FLS) compliance across the City, including the identification of the current state and addressing deficiencies, the Deputy City Manager, Corporate Services formed a City-Wide Fire & Life Safety Task Force.

The Director, Corporate Security was seconded to lead the Task Force with supporting staff selected from Corporate Services. The Task Force was established to be a temporary work team until a City Wide Fire & Life Safety Program Office could be established.

The Task Force work plan consisted of conducting a jurisdictional scan to identify the current state, overseeing an independent review of a sample of City buildings to verify FLS compliance, establishing policies and baseline/best practices to help ensure

compliance is maintained on an ongoing basis, developing training programs, and establishing a City-wide governance process to ensure accountability and responsibilities for FLS.

Fire and Life Safety Steering Committee

A Fire and Life Safety Steering Committee was formed to provide guidance to the Fire and Life Safety Task Force through input on the Action Plan required to provide closure to the recommendations of the Auditor General's Report, feedback on minimum and best practices required to achieve and maintain FLS compliance, and feedback on the Operational Model and governance process required to ensure fire and life safety compliance is maintained and quality assurance occurs.

The Steering Committee is chaired by the Deputy City Manager, Corporate Services and has membership consisting of the Deputy City Managers; Deputy Fire Chief; Chief Financial Officer; Chief Safety Officer, Toronto Transit Commission; Senior Director, Fire, Life Safety, and Risk Management, Toronto Community Housing Corporation, and the Director, Internal Audit.

Fire & Life Safety Task Force Work Plan

The Fire & Life Safety Task Force followed a Work Plan reviewed by the Steering Committee. The first phase of this work plan was to complete a jurisdictional scan within City Agencies, Corporations, and Divisions (A/C/D) to review compliance status, best practices, and challenges / opportunities for continuous improvement. A representative of each A/C/D was also sent to FLS training delivered by the President of the Canadian Fire Alarm Association to further enhance their knowledge of FLS.

Accountability

The recommendations identified the General Manager, Facilities Management as the single accountable person to bring all City buildings into compliance with the Fire Code and to develop and be accountable for the oversight of a centralized model with Facilities Management as the overseer of life safety inspection services across all City-owned buildings.

Presently, the General Manager, Facilities Management does not have full jurisdiction and control over all City buildings and their associated maintenance budgets. The implementation of the Council-approved City-Wide Real Estate (CWRE) Transformation will support the centralization of responsibility for FLS as real estate and facility functions are consolidated City-wide. On an interim basis, the Task Force and Facilities Management are working together with A/C/Ds to resolve jurisdictional issues and ensure consistency in how FLS work is carried out. As part of this work, a key individual responsible for overseeing FLS compliance has been identified for each of the 18 A/C/Ds that manage building portfolios. In addition the Task Force is working with A/C/Ds to identify the key responsible person for FLS compliance in each building.

Training

The Task Force launched a secured website where the representatives of each A/C/D could login in to view standing operating procedures, baseline practices, training material, and a FLS Guide Book specific to the City of Toronto.

Approximately 25 different standard operating procedures and forms have been created and posted on the website for use by City staff. These Standard Operating Procedures and Practices provide detailed baseline and best practices on various measures that must be followed to enhance and display FLS compliance such as on site contractor management, collection and retention of records, review of records, etc.

Technology

Currently, A/C/Ds do not utilize the same technology infrastructure and staff to ensure FLS compliance in their respective building portfolio. The Task Force reviewed a number of software solutions that would enhance the City's ability to schedule inspections, retain inspection reports, complete deficiency repair, and retain all required FLS documentation for all City-owned buildings. A FLS specific software has been chosen and is currently undergoing an information technology security review. This software will be used by all A/C/D's and will allow the General Manager, Facilities Management to monitor the completeness of overall FLS compliance for all City Agencies, Corporations, and Divisions. The solution will be procured by the end of the third quarter of 2019, with implementation occurring immediately thereafter.

A centralized document library has been created as an interim solution until such time as the FLS software has been procured and implemented. This library allows for the centralization and storage of electronic records required under the Ontario Fire Code. The centralized document repository is being piloted in the Facilities Management and Parks, Forestry, & Recreation divisions, as well as, Exhibition Place. Additional Agencies, Corporations, and Divisions will be added after the pilot, starting in June 2019.

Input from the FLS Industry

An Industry Association Advisory Panel was formed by the Task Force to receive external input into the implementation of the various recommendations. This Advisory Panel includes representatives of the Canadian Fire Alarm Association, Canadian Security Association (fire alarm monitoring), and the Canadian Automatic Sprinkler Association. A number of meetings have occurred with this Advisory Panel which has provided valuable insight into the state of the FLS industry, as well as, valuable input into the implementation of key recommendations.

10% Audit

City Council authorized the Deputy City Manager, Corporate Services to negotiate and enter into a non-competitive agreement with third-party vendors for services to conduct a FLS audit of City facilities and report back to the appropriate Committee on findings, including required corrective actions.

Ten percent of all City buildings, or 250 buildings were chosen to be reviewed. The purpose of the audit is to review the various records completed by vendors and City staff for completeness, authenticity, and compliance. It is expected that the audits will identify corrective actions (e.g. re-inspections or deficiency repairs) that A/C/Ds will be required to undertake. Serious issues of potential wrongdoing or fraud will be submitted to the Auditor General and to the Fire Chief for their awareness and potential follow-up.

The audit is a significant body of work that involves the collection of large quantities of information and records from 18 different A/C/Ds, which must be standardized and reviewed by City staff before being submitted to the Consultants. Accordingly, the audit is being conducted in two phases: the results of the first phase have been provided by the Consultants, while the results from the second phase are expected to be received by the end of June 2019. Staff will be reporting back in the fall of 2019 with a detailed report on the findings of the audit, including required corrective actions. This report will also fulfill the responsibility of the General Manager, Facilities Management to report back to City Council annually on the level of FLS compliance.

City-Wide Fire & Life Safety Program Office

The Fire & Life Safety Task Force transitioned to a City-Wide Fire & Life Safety Program Office, commencing May 1, 2019. This FLS Program Office has a City-wide mandate, including City Agencies, Corporations, and Divisions

The Program Office reports directly to the General Manager, Facilities Management and supports the implementation of City wide governance and oversight of FLS, quality assurance and audits, training to those responsible for FLS compliance, and annual reporting on FLS compliance.

The 2019 Program Office work plan, has a number of key deliverables including the:

- Implementation of a Complaints Process and Watch list (May 2019);
- Updating of existing FLS contracts and procurement of holistic City-Wide FLS services (end of 2019);
- Finalization of a comprehensive inventory of FLS for all City buildings, identifying the owner's representative and the various FLS systems present (June 2019);
- Procurement of centralized compliance software (Sept 2019);
- Finalization of Standard Operating Procedures (SOPs) (July 2019);
- Implementation of a FLS training program (Sept. 2019);
- Completion of the 10% audit and a report to Council on the audit findings (Sept. 2019);
- Establishment of an annual FLS audit program (Oct. 2019).

In addition, specific additional measures are being implemented to build and strengthen a culture of FLS awareness at the City and ensure that all City employees know their role in ensuring FLS compliance in City buildings. These measures include:

- the City-wide distribution of Toronto Fire issued "Notices of Violation" to all division heads to be cascaded down to management staff to enhance awareness of the nature of orders and recommendations / lessons learned;
- the City-wide distribution of notifications of false fire alarm calls at City buildings, with the cause, lessons learned, and recommendations for mitigation; and,
- providing additional information to joint occupational health and safety committees to enhance their awareness and knowledge of common FLS deficiencies;

Next Steps

The City-Wide Fire & Life Safety Program Office will continue to build on the progress the Task Force has made towards the development of a City-wide governance process for FLS, including supporting processes and tools; the implementation audit of fire and life safety compliance in 10% of the City's buildings; and additional measures to promote a culture of FLS City-wide.

The City-Wide Fire & Life Safety Program Office will continue the work of the Task Force through the delivery of the 2019 Work Plan. The next progress update will be provided in the third quarter of 2019 as part of the annual report on city-wide FLS compliance.

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ATTACHMENTS
