

**CITY OF HAMILTON
INTERNAL AUDIT REPORT 2014-12
PLANNING AND ECONOMIC DEVELOPMENT
MUNICIPAL LAW ENFORCEMENT (MLE) – BY-LAW ENFORCEMENT - FOLLOW UP**

OBSERVATIONS OF EXISTING SYSTEM	RECOMMENDATION FOR STRENGTHENING SYSTEM	MANAGEMENT ACTION PLAN	FOLLOW UP (JANUARY 2018)
<p><u>Systems Inefficiencies</u> MLE Officers currently use two systems to record By-law related complaint and investigation information - Hansen for Yard Maintenance and AMANDA for Property Standards, Heat and Vital Services. The AMANDA system provides more detailed information relating to the investigation and links action request folders, violation folders and court folders back to the property. Throughout the audit, the following disadvantages were noted in using the Hansen system in comparison to AMANDA:</p> <ul style="list-style-type: none"> • There is no to-do list for each Officer. Each day, the Officer must do a search for outstanding calls assigned to them and assign themselves all new calls relating to their area; • User fees are not automated and cannot be reported from the system but are manually compiled; • No standard documentation templates were observed within Hansen; • It is difficult to upload multiple attachments, so the attachment feature was not being utilized; and • There are no workflows to standardize tasks. Officers manually input log codes and notes for investigations 	<p>1. That MLE management review the feasibility of using only the AMANDA system or any other department wide software to record all information relating to By-Law complaints and investigations and meet the needs of staff efficiently.</p>	<p>Agreed. MLE management will forward the recommendation to the departmental AMANDA team for additional consideration. Expected completion: Q2, 2016.</p>	<p>Initiated. Although MLE is still using both AMANDA and Hansen to record complaints and investigations, work has started to transition to AMANDA. A steering committee has been formed including representation from corporate IT.</p> <p>Expected Completion: Q4, 2018</p>

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<p><u>Systems Inefficiencies (Cont'd)</u> When Officers use more than one system, the risk of information not being appropriately documented and retained is increased. The continued use of Hansen increases the risk of investigations not being acted upon or followed up in a timely manner due to the difficulties in being aware of outstanding work.</p> <p>In addition, the risk of fees not being appropriately charged to property owners increases due to the manual nature of the process.</p>			

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<p><u>Timing of Action</u> By-Law complaints are not being consistently followed up by Officers in a timely manner. A review of complaints received identified:</p> <ul style="list-style-type: none"> • No action was taken on two of 10 Yard Maintenance service requests reviewed; • Initial action on five of 10 Yard Maintenance service requests reviewed occurred beyond the expected 7 business days; and • No action was taken to follow up on one Vital Services Invoking Notice to ensure that utility services were not shut off. Lack of action may impact the health and safety of tenants. <p>When complaints and Orders to Comply (OTC's) are not followed up in a timely manner, By-Laws are not being appropriately enforced to maintain a healthy and safe community. This may diminish the quality of service being provided to the public.</p>	<p>2. That Supervisors perform regular reviews of employee to-do lists and unassigned tasks to ensure that there are no outstanding items for follow up beyond expected timeframes.</p>	<p>Agreed. Current workload of Supervisors does not provide adequate resources to properly review caseloads regularly.</p> <p>Staff will be requesting additional resources in the 2016 budget process. Expected completion: Q2, 2015.</p>	<p>Alternative initiated. In order to provide critical data and expedite investigations, MLE management is investigating the use of analytics reports generated by AMANDA. These reports will provide MLE supervisors enhanced oversight over officer performance.</p> <p>Management expects to use these reports beginning Q2, 2018.</p>

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<p><u>Timing of Action (Cont'd)</u> In addition, the status of investigations and tasks in AMANDA and Hansen are not being consistently updated. Twelve investigations were identified with incorrect statuses. This will create difficulties when reviewing outstanding investigations if files have not been appropriately closed or resolved when completed by the Officer.</p>	<p>3. That the status of investigations and tasks be reviewed by Supervisors periodically for accuracy of their classification.</p>	<p>Agreed. Given the amount of time required to review the status of investigations and tasks, this would take the Supervisor away from critical operational duties. Staff will be requesting additional resources in the 2016 budget process. Expected completion: Q2, 2015</p>	<p>Alternative Initiated. As noted above, management is investigating new AMANDA functionalities that will be utilized to allow Supervisors to better monitor their staff.</p> <p>These enhancements are expected to be utilized by Q2, 2018.</p>

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<p><u>Investigation Documentation</u> Officers perform investigations to determine if a violation of a By-Law has occurred. Investigation steps are to be documented in the Officer's notebook and the AMANDA or Hansen system. A review of 25 sampled investigations identified:</p> <ul style="list-style-type: none"> • Two occurrences of investigation photos not being date stamped; • Five occurrences of violations with no retained photos for the site visit; • Four occurrences of photos not being uploaded to AMANDA; • Four occurrences of photos showing that a site visit occurred with no corresponding notes in the system; and • Four occurrences of violations not being appropriately input into AMANDA. <p>Investigations are not being adequately documented. Inconsistencies and variations in notebook documentation amongst Officers were observed. Some Officers record all activities and correspondence relating to investigations throughout the day in their notebook while others only record information relating to site visits with additional correspondence documented directly in the system.</p>	<p>4. That the Notebook Policy and Procedure be expanded to clearly identify documentation requirements.</p>	<p>Agreed. Staff has met with Legal Services to discuss information collected and a Policy and Procedure revision has been completed.</p>	<p>In Progress. The Notebook Policy and Procedure was revised in January 2017. However, the updated procedure is not consistently being followed: a review of 12 sample investigations showed two occurrences where the officer's notes were not adequately documented and one instance where the notes in the Notebook did not reconcile to the system (Hansen).</p>

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<p><u>Investigation Documentation (Cont'd)</u> Supervisors are not performing and documenting quarterly checks of Officer notebooks as required by the Notebook Policy and Procedure. In addition, regular reviews of Officer investigations are not being performed.</p>	<p>5. That Supervisors regularly (at least quarterly) review a sample of investigations to ensure they have been appropriately documented. This review should include Officer notebooks, photos and information being recorded and attached in the AMANDA or Hansen systems.</p>	<p>Agreed. Current workload of Supervisors does not provide adequate resources to properly review caseloads regularly.</p> <p>Staff will be requesting additional resources in the 2016 budget process. Expected completion: Q2, 2015.</p>	<p>Management is working towards an alternative where Supervisors would periodically review Officers Notebooks.</p> <p>Expected completion: Q2, 2018</p> <p>Not Completed. Supervisors continue not to perform and document checks of Officer Notebooks as stated in the policy. However, management is working towards an alternate process whereby the system (AMANDA) would remind Supervisors to review their staff Officer's Notebooks. This review would be logged.</p> <p>Expected Completion: Q2, 2018</p>

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<p><u>Investigation Documentation (Cont'd)</u> When regular reviews of investigations and system and notebook documentation are not performed, the risk of inadequate or inconsistent information being retained to support investigations increases. This could be problematic if these cases are taken to court and appropriate evidence is not available/conflicting.</p>	<p>6. That a log be created to track investigation reviews by the Supervisor, including applicable comments, to ensure appropriate follow up occurs.</p>	<p>Agreed. Current workload of Supervisors does not provide adequate resources to properly review caseloads regularly. Staff will be requesting additional resources in the 2016 budget process. Expected completion: Q2, 2015.</p>	<p>Not Completed. See status and recommendation for #5. Expected Completion: Q2, 2018</p>

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<p><u>Notebook Retention</u> Officer notebooks are not being retained in accordance with the Notebook Policy and Procedure, which states that full and completed notebooks must be turned in to the Supervisor for safe storage.</p> <p>Completed notebooks were observed as being retained by individual Officers in unsecured locations. This increases the risk of notebooks being lost or misplaced. In addition, upon turnover of staff, appropriate evidence relating to ongoing investigations may be lost.</p>	<p>7. That all completed notebooks be stored in a secure location in accordance with the Notebook Policy and Procedure. A sign in/out log should be created for all notebooks removed from this location.</p>	<p>Agreed. The Manager and Supervisors will be given direction to ensure that all staff follow the Notebook Policy and Procedure. Expected completion: Q2, 2015.</p>	<p>In Progress. Although the Notebooks were stored in a secure location, a detailed log of completed Notebooks is not maintained.</p> <p>Management will work towards ensuring compliance with the retention requirements of the Notebook policy.</p> <p>Expected Completion: Q2, 2018.</p>

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<p><u>Fees and Charges</u> Fees are charged for inspections resulting in non-compliance with City By-Laws, in accordance with the Approved User Fee and Charges By-Law and the Fee for Inspection and Contractor Fees Policy and Procedure. In nine of 51 files reviewed, incorrect fees were charged. Supervisors do not review the fees charged for accuracy.</p> <p>Fees occur at various stages based on the history and number of violations for the property. The stage of the fee is not being recorded in the Hansen or AMANDA system when it is levied. This makes it more time consuming for Officers reviewing a property history to determine the level of the charge.</p> <p>When fees are not appropriately charged and documented in the system, the risk of fees for future violations being inaccurate is increased as the timing and amount of the charge is dependent on the property's history. This may result in lost revenues for the City.</p>	<p>8. That Supervisors review a sample of fees charged each month to verify their accuracy and follow up with the appropriate Officer when discrepancies are identified.</p> <p>9. That Officers record the stage that the fee was charged at and the amount in the Hansen or AMANDA system.</p>	<p>Agreed. This monitoring will be incorporated into the duties of the contract services supervisory position. Completed in May 2015.</p> <p>Agreed. The Policies and Procedures are being updated to reflect this recommendation. Expected completion: Q2, 2015.</p>	<p>Not Completed. See status and recommendation for #5.</p> <p>Expected Completion: Q2, 2018</p> <p>Not Completed. The stage that the fee was charged at is still not consistently indicated in the systems (Hansen or Amanda). The policy and procedure for Fee for Service was updated in Q2, 2015 but it does not provide guidance for MLE Officers to record the stage the fee was charged at and the amount to records in the systems.</p> <p>Management expects to update the P&P by Q2, 2018.</p>

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<p><u>Contractor Work</u> Documentation relating to contractor work initiated by the City to provide compliance with By-Laws is not consistently being retained. A review of work initiated by the City identified:</p> <ul style="list-style-type: none"> • Picture templates of work to be completed (sent to contractors) are not consistently retained in AMANDA; • Contractor quotes are not being uploaded to AMANDA and are not consistently retained; • All information relating to work to be performed on Yard Maintenance files is being retained on the network drive and is not uploaded to Hansen; • Evidence of supervisory approval for work being awarded to the contractor with the lowest bid is not being consistently retained; • The process for verifying that the contractor work has been completed is inconsistent and documentation is not consistently retained; and 	<p>10. That all documentation relating to contractor work be retained in the AMANDA or Hansen folder.</p> <p>11. That a tasks listing be created in AMANDA/Hansen that requires a signoff by the Supervisor that the quotes have been reviewed and work awarded to the lowest bidder and a signoff by the Officer that contractor work has been verified as completed.</p>	<p>Agreed. Staff will be developing a new process to capture this information and a subsequent policy and procedure. Expected completion: Q1, 2016.</p> <p>Agreed. The new contract will no longer use the quote system. Rather, a straight unit pricing system will be implemented, which will provide better control and consistency for enforcement. Expected completion: Q2, 2015.</p>	<p>Initiated. Documentation relating to contractor work is not being consistently maintained in the systems (AMANDA and Hansen). MLE management has started drafting a new policy and procedure highlighting documentation requirements.</p> <p>Expected completion and implementation date of Q4, 2018.</p> <p>No Longer Applicable. The Supervisor no longer needs to obtain bids prior to approving work as MLE has tendered and awarded contracts to three lowest bid vendors.</p> <p>These three contractors will perform ongoing yard and property maintenance services as required on a rotational basis based on the contractual price.</p>

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<p><u>Contractor Work (Cont'd)</u></p> <ul style="list-style-type: none"> • Quotes were not received for work that was upgraded due to special circumstances in two of ten instances. <p>When information relating to contractor work and evidence of supervisory review is not available due to inconsistent retention, it cannot be verified that work was appropriately awarded to Contractors and completed.</p> <p>In addition, when quotes are not received from contractors in advance of work being performed, the risk of the City being overbilled increases.</p>	<p>12. That quotes be obtained for all work not included in the predetermined contract amounts before being initiated.</p>	<p>No Longer Applicable. MLE has eliminated the quoting process with contractors, effective May 2015. The contract system described above is now utilized.</p>	<p>Unable to verify. The contract, referred to above, states that work with a value greater than \$20k required at least three quotes and the work be awarded to the lowest bidder.</p> <p>However, none of the jobs performed were above \$20k.</p>

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<p><u>Provincial Offence Notice (PON)</u> It is expected that a PON be issued on the third By-Law violation in the year (Property Standards) or season (Yard Maintenance/Heat). Officers use their discretion when issuing PONs prior to the third violation.</p> <p>Two of 51 investigations sampled had a third violation occurring with no PON being issued. MLE indicated that it is in the process of changing the expectation to have Officers issue PONs at the time of the second violation.</p> <p>When PONs are not issued until the third violation and only fees are charged for inspections resulting from non-compliance with City By-Laws, there is less incentive for owners to comply and less revenue generated from PONs.</p> <p>Further, PONs and user fees are not consistently tracked in the AMANDA system making it difficult to determine which violations specifically resulted in the issuance of PONs.</p>	<p>13. That MLE implement the issuance of PONs at the time of the second violation for the same offence in the year/season. If a PON is not issued, the reason should be adequately documented. This should be verified when performing the investigation reviews (see recommendation #3).</p> <p>14. That all violations resulting in PONs have a Court folder in the AMANDA system with the PON and fee amount recorded and linked to the violation.</p>	<p>Agreed. Supervisory staff will be developing a Policy and Procedure which will require that staff make every reasonable attempt to serve a PON on the second occurrence.</p> <p>For extenuating situations, the Officer may request a review by the Supervisor with approvals from the Director or Manager for any deviation from this standard operating practice. This authority will not be permitted to be delegated below the manager's level. Expected completion: Q4, 2015.</p> <p>Agreed. A folder will be added to the Amanda upgrade team list. Expected completion: Q4, 2015.</p>	<p>In Progress. Officers were not consistently issuing PON's on non-compliance of second violations. The Policy on Progressive Enforcement was issued in January 2018; enough time had not lapsed to test that the policy was being followed.</p> <p>Expected completion: Q2, 2018</p> <p>Complete. All court orders were consistently attached in the system (AMANDA), with the PON and fee amount recorded and linked to the violation.</p>

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<p><u>System Access</u> Information relating to By-Law enforcement complaints and investigations is stored in the AMANDA or Hansen systems.</p> <p>A review of system access listings identified: users that do not require access to the system based on their job duties, staff that are no longer employed with MLE and individuals unknown to MLE that have been granted access to AMANDA and Hansen complaint and investigation information. It was also noted that access to these systems is not regularly reviewed by management.</p> <p>When unnecessary individuals have the ability to access MLE records, there is the risk of information being used or modified inappropriately.</p>	<p>15. That the Hansen and AMANDA MLE Section user access listings be generated and reviewed regularly (at least annually) to ensure that only appropriate staff have access to MLE records.</p>	<p>Agreed. User access listings will be reviewed annually. Expected Completion: Q1, 2016.</p>	<p>Not completed: User Access Reviews of the two systems (AMANDA and Hansen) was not being performed.</p> <p>Management agreed to perform User Access Reviews for AMANDA/Hansen at least annually, with the latest one to be completed by Q1, 2018. Management also agreed to develop a new policy and procedure determining roles and responsibilities of admins and Supervisors by Q3, 2018.</p>

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<p><u>Policies and Procedures (P&P)</u> Several procedures regarding enforcement of various By-Laws and operational processes have been documented. However, they have not been reviewed or updated in a timely manner as evidenced by dates of 2009 to 2013. In addition, the Fee for Inspection and Contractor Fees Policy and Procedure indicates the incorrect timeframe for reviewing the history on the property.</p> <p>When formal procedures are lacking or are out of date, employees use personal understanding and experience to carry out processes which could result in incorrect, incomplete or inconsistent application. It would also be problematic and inefficient for a successor to commence his/her duties within a short period of time.</p> <p>MLE has identified new policies and procedures to be created and amendments to existing policies and procedures on their 2015 Work Plan.</p>	<p>16. That procedures be updated or newly created as per the 2015 work plan. All procedures should be reviewed annually by management and updated as required, bearing evidence of such review (sign-off).</p>	<p>Agreed. Policies & Procedures will be updated. This item will be included in the Manager's Annual Workplan. Expected Completion: Q1, 2016.</p>	<p>Not completed. P&P's are not being annually updated. Management will update P&P's as time/resource permits and based on priorities as updating P&P's remains part of their 2018 Work Plan.</p>