
Development Compliance Branch Audit

October 3, 2005

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Executive Summary

The Development Compliance Branch audit described herein is the first of twenty-six audits planned for all City of Edmonton branches over an eight-year cycle. These branch audits entail a thorough program evaluation of branch operations, including a core service review, a performance measurement review, a risk identification and assessment, and fieldwork in areas of concern.

The Development Compliance Branch (Planning and Development Department) is responsible for implementing bylaws and regulations representing community standards as set by City Council, and ensuring the health and safety of Edmontonians through the implementation of portions of the Alberta Safety Code legislation. The 2005 expenditure budget for the Development Compliance Branch is \$15.0 million, with projected annual revenues of \$18.2 million, resulting in projected net revenue of \$3.2 million. The Development Compliance Branch has a staff complement of 183 full-time equivalents.

The primary objectives of this branch audit were to provide assurance to City Council and Senior Management:

1. That the Development Compliance Branch is operating in an effective, efficient, and economical manner.
2. That appropriate rationales for all programs and activities exist with the Branch and that this rationale continues to be relevant.
3. That risks within the Branch are being managed to an acceptable level.

The summary of observations and key findings resulting from this branch audit are organized below reflect the above objectives. Overall, the Development Compliance Branch has demonstrated initiative towards continued improvement in service delivery performance and good risk management practice.

1. Effective, Efficient, and Economical Service Delivery

The Development Compliance Branch, by design, deploys a reactive service delivery approach to bylaw enforcement. The Office of the City Auditor (OCA) believes it is an economical service delivery approach based on comparative benchmarking. The OCA identified two cost effective recommendations, accepted by management, which would help the municipal enforcement business unit become more proactive by increasing public communications on municipal bylaws and evaluating the opportunity to increase service coverage on bylaw enforcement.

Processes and penalties need to be in place to discourage the need for the unnecessary re-inspection of development. Management has agreed to three recommendations designed to bring consistency around these processes and to review penalties used within these processes.

The OCA evaluated the use of technology within the Branch and determined that connectivity problems do impact employee productivity for mobile field operations.

Management recognizes this problem and will continue to work with Information Technology Branch to resolve this problem.

The OCA assessed individual performance in the municipal enforcement business unit and detected significant variance between individuals. Management has agreed to establish individual performance targets to improve this condition.

The OCA reviewed information available to management from computer applications and found that significant amounts of data exist, but more meaningful information reports are required. Management has agreed to improve information reporting.

Current building inspections performed need to be evaluated with regard to the risks they mitigate and the value these inspections add to public safety. Management has agreed to formally evaluate the current building inspection practices.

2. Core Service Review (*Rationale and Relevance*)

The Development Compliance Branch has demonstrated a strong overall rationale for its program activities. The majority of activities within this Branch are designed to meet legislative requirements regarding community standards as defined within Council-approved bylaws and provincial legislation.

The OCA evaluated program relevance and we believe that the current state of the municipal bylaws is an issue. The large number of municipal bylaws and overlaps among them make it difficult for the Branch to communicate expectations to staff and to the public. This issue can be resolved as management addresses a rewrite and consolidation of existing municipal bylaws. Management has agreed that this is a priority but emphasizes that this process will require some time to complete.

3. Risk Management

The OCA identified several potential risks to the effective operation of the safety codes inspection program that the OCA believed can be mitigated with more effective management. Management has agreed to review the accountability framework for monitoring inspection activity performance, which the OCA believes should mitigate these risks.

The OCA identified an opportunity for the Branch to investigate the use of positioning technology to improve individual accountability of field staff and to add to employee safety. Management has agreed to further investigate this opportunity.

During site visits with field employees who use vehicles as a mobile office, the OCA observed employee risks relating to ergonomics and vehicle safety. Management has accepted the recommendation to work with the Occupational Health and Safety Section to bring resolution to this matter.

The OCA will conduct follow-up audits relating to each of the recommendations identified in this report and will provide follow-up reports both to management and to Council. The OCA thanks the management team and staff of the Development Compliance Branch for their extensive efforts during this audit.

Development Compliance Branch Audit

1. Introduction

The Office of the City Auditor (OCA), within its approved 2005 workplan, selected the Development Compliance Branch for a branch audit. Branch audits are planned for all City of Edmonton branches over an eight-year cycle. These audits entail a thorough program evaluation of branch operations, including a core service review, performance measurement review, and a risk identification and assessment.

The Development Compliance Branch (Planning and Development Department) is responsible for implementing bylaws and regulations representing community standards as set by City Council, and ensuring the health and safety of Edmontonians through the implementation of the Alberta Safety Code legislation. The Development Compliance Branch is divided into five business units described below:

- ❖ Safety Codes – Issues building permits and perform safety code inspections.
- ❖ Permitting and Licensing - Coordinates and reviews new subdivision developments, issues business licenses, administers taxi, limousine and personal services bylaws, etc.
- ❖ Complaints and Investigations - Investigation and enforcement of complaints related to City Bylaws.
- ❖ Animal Control Services – Provide interim care for stray cats and dogs and perform services to return pets to their owners.
- ❖ Customer Information and Advisory Services - Operate a call centre for inspections, complaints or general inquiries and provide front counter services.

These business units, with the exceptions of the Animal Control Unit and the City Pound, are all located within the Allstream Tower. The 2005 expenditure budget for the Development Compliance Branch is \$15.0 million with projected annual revenues of \$18.2 million resulting in projected net revenue of \$3.2 million. The Development Compliance Branch has a staff complement of 183 full time equivalents.

The Development Compliance Branch vision is: “We are a POSSE¹ supported, measurable organization that is helping to build a better Edmonton by effectively communicating and efficiently implementing Council’s direction on Community Standards.”

¹ POSSE (Permit One Stop Service) is a City of Edmonton computer application used to develop electronic workflows, allow data entry and maintenance by multiple users, develop and track data relationships, and enable user-defined interfaces.

2. Objectives

The primary objectives of this branch audit were to provide assurance to City Council and Senior Management:

- That the Development Compliance Branch is operating in an effective, efficient, and economical manner.
- That appropriate rationales for all programs and activities exist with the Branch and that this rationale continues to be relevant.
- That risks within the Branch are being managed to an acceptable level.

3. Scope and Methodology

All five business areas within the Development Compliance Branch were included within the scope of the branch audit. The audit process included four distinct phases.

1. Planning Phase

The planning phase included gathering and reviewing background information including budget data, business plans, and performance metrics. A terms of reference document was drafted and circulated to stakeholders (Planning & Development Department and City Council) for comments and input regarding concerns and issues.

2. Assessment Phase

The objective of the assessment phase was to collect and evaluate additional levels of detail to further refine the project scope. Three separate reviews were conducted on each of the five business units within the Branch.

- a) **Core service review** – The intent of this review was to evaluate program rationale and continuing relevance. All core business activities within each business unit were identified. A core service is defined as a service or activity that significantly contributes to the goals and objectives defined for a business unit. In order to evaluate each activity, five criteria were used:

- *Legislative and Council Direction*
- *Alignment with identified goals and objectives*
- *Core Competencies*
- *Service to citizens/customers*
- *Contribution to key performance indicators*

Each activity identified was evaluated against these five criteria. The OCA facilitated a subjective team process whereby business unit managers evaluated each others' activities against these defined criteria. The resulting scoring for each activity was then ranked numerically.

- b) **Performance measurement review** – The intent of this review was to identify and assess performance measures within the individual business areas and at a

branch level. Performance measures should demonstrate the achievement of goals and objectives in a manner that is economical, efficient and effective.

The manager for each business unit was asked to identify specific activity goals that contribute to the overall branch goal. For each goal identified, the business manager responsible was asked to describe the performance measures used to demonstrate the achievement of all or a part of that goal. Finally, the manager was asked to provide data for the previous three years and performance targets for each activity. The OCA evaluated the performance measurement information provided and assessed whether it in fact demonstrated that the goals were actually being achieved.

- c) ***Risk identification and assessment*** - The intent of this review was to evaluate how effectively risks, which could be detrimental to the achievement of goals, are being managed.

The OCA met with each manager of the five business units and key staff members to discuss and document risks, the potential impacts of those risks and the controls that management has in place to mitigate identified risks. A standardized questionnaire and facilitation process was employed. Following this risk identification process, the OCA worked with management to assess the impact and likelihood of these risks.

At the completion of these three review exercises, the OCA prepared a summation of significant issues for each of the five business units. The OCA then presented and discussed these summations with the Branch management team and designed the fieldwork.

3. Fieldwork

The objective of fieldwork was to conduct further analysis relating to significant issues identified during the assessment phase. The summation of significant issues that was prepared in the assessment phase was used to develop the detailed audit programs that included audit objectives, criteria for further testing and specific audit program steps.

Typically, audit steps relate to testing the reliability and integrity of reporting information, safeguarding of assets, economy, effectiveness and efficiency of operations, and compliance with laws, policies, and procedures. During fieldwork, operations are also compared to other organizations in order to provide an added measure of assurance of the value of services provided.

The outcome of this phase is the documentation of audit observations and the development of formal opportunities for improvements or recommendations. These observations and recommendations are then disclosed to the client for validation and an accuracy check. Management is then given time to prepare a formal written response to the observations and recommendations identified.

4. Reporting

The last phase of each branch audit project is to develop the final audit report. The final report provides an overview of the work completed, identifies significant findings, and

OCA observations and recommendations. Management is given ample time to review the final report and develop management response and action plans to the OCA recommendations. Finally, the report is presented to Audit Committee and Council.

4. Assessment Results

The following section in this report provides a summation of the results for the three assessment exercises conducted by OCA in collaboration with the Development Compliance Branch. At the completion of these exercises, OCA consulted with management on the assessment results and identified the areas of most significance and where additional fieldwork would likely add the most value.

4.1. Core Service Review Results

The OCA used the following criteria to evaluate the degree to which each Branch activity provides a core service:

- *Legislative and Council Direction:* Program activities may be legislated by federal or provincial governments or by regulatory bodies. Programs may also be legislated and/or directed by City Council.
- *Alignment with identified goals and objectives:* The service or activity must be recognized by the service provider as contributing to the accomplishment of identified goals and objectives for the business unit and its associated Branch and Department or that of the Corporation.
- *Core Competencies:* A core competence is a service or activity that a business unit performs and is central to the business unit's competitive capability. In strategic terms, a core competence can be regarded as business unit strength. Core competence is assessed as to the relative importance that the services or activities are seen in relation to other services or activities within the business unit. It is unrealistic to expect all activities to be rated equally.
- *Service to citizens/customers:* Individual services or activities serve different customers, each with different needs. If a customer required all the identified services and activities, how would the service provider rate the relative importance of these services and activities?
- *Contribution to key performance indicators:* Key performance indicators (KPI) are outcome based measures used to demonstrate productivity. Each activity may contribute to its own individual KPI or partially support a business unit or branch KPI.

Twenty-seven activities were identified within the five business units and assessed against the five core service criteria identified. The results of this exercise are shown in Appendix 1. The average core service valuation score for all 27 activities was 15.2 out of 20. Table 1 summarizes the core service valuation of each of the 27 activities.

Table 1 – Core Service Valuation Summary

Core Service Valuation of Activities	# of Activities	Budget
Above average.....	13	13.2 M
20% or less below average.....	9	1.5 M
More than 20% below average	5	0.3 M
Total	27	15.0 M

Thirteen activities were above the average core service valuation and consume an estimated 88% of the \$15.0M expenditure budget for the Branch. Nine activities scored 20% below the average core service valuation and consume an estimated 10% of the Branch budget. Overall, a relatively strong rationale exists for these 22 activities since they are designed to help the Branch meet legislative requirements. Furthermore, continued program relevance exists and activities have been adjusted to reflect changes in legislation, technology, and customer needs. In general, these activities are considered either essential or to contribute significantly to services to citizens and to achievement of the overall Branch goals.

In sessions facilitated by the OCA, Management scored the five activities that are more than 20% below average (summarized in the table below) as contributing relatively low value to the Branch’s core services. These activities consume an estimated 2% of the annual expenditures budget for the Branch (less than \$300,000 annually for all five activities). Table 2 provides an analysis of these five activities and identifies whether the OCA believed additional fieldwork was warranted.

Table 2 – Core Service Valuation Assessment

Activity	Preliminary Assessment	Additional Fieldwork
Picking up stray pets from the Emergency Veterinary Clinic and the Edmonton Humane Society.	Adds value by partnering with other organizations towards the goal of animal control.	No
Managing a website to help owners find their pets (new activity).	Contributes to overall Branch goals and to providing service to citizens.	No
Personal Services Bylaws relating to the licensing of individuals.	Does not align well with the overall Branch model of licensing businesses. Licensing of individuals does not provide assurance of safety to citizens or to customers, which is part of the Branch goal. Ultimately, the responsibility of ensuring employee responsibility resides with the employer and the employee.	No See Note 1 (end of table)

Table 2 – Core Service Valuation Assessment

Activity	Preliminary Assessment	Additional Fieldwork
Picking up dead pets and wildlife from roadways and public lands.	This has gradually become a Development Compliance Branch responsibility over the past six years. An advantage of this Branch performing this activity is that all dead pets can be checked for licensing information and owners thereby notified.	No
Conducting environmental assessments for law firms.	A check is performed for outstanding liabilities against a given property. No revenues are received for this service and it adds little value to Branch performance.	Yes (see section 5.2.3)

Note 1: The Personal Services Bylaws (Escort Licensing Bylaw #12452, Exotic Entertainers Bylaw #10398, and Massage Practitioners Bylaw #10396) were enacted in 1993 as a result of the Mayor's Safer City Initiative and have been influenced through ongoing direction from City Council as well as previous studies and work unit audits, such as City '97 and Ideal 2001. Management indicated that although they have served a purpose over time (overall safety of legal activities and to provide data base and background information for Edmonton Police Service for the others) there is an increasing need to re-visit the value of these bylaws in today's realm of licensing relevance. The Branch has indicated that they may schedule a Bylaw review as early as 2006 (see section 5.2.2).

4.2. Performance Measurement Results

The OCA reviewed management's goals and associated performance measures for each business unit within the Branch. The OCA concluded that the individual business unit goals contribute reasonably well to the overall Branch, Department and Corporation goals. Table 3 is a summation of observations made on the reported performance measures for each of the Branch business units and whether the OCA believed that additional fieldwork was warranted.

Table 3 – Performance Measurement Assessment

Section	Preliminary Assessment	Additional Fieldwork
Complaints and Investigations	Since the section's goals indicate a preference for voluntary compliance over enforcement, measures are needed to more clearly demonstrate that the goals are being achieved. Service levels have been defined as a goal and management should measure and report the actual response times on investigations.	Yes (see sections 5.1.1.1, 5.1.1.5, and 5.1.2.2)
Safety Codes	Business unit performance measures exist, but performance targets that demonstrate individual efficiency, effectiveness and quality of work are required.	Yes (see sections 5.1.2.2 and 5.1.2.3)

Table 3 – Performance Measurement Assessment

Section	Preliminary Assessment	Additional Fieldwork
Customer Information and Advisory Services	Adequate measures exist to demonstrate effective and efficient use of resources, but additional measures demonstrating economy would be useful, such as unit cost per call.	No
Permitting and Licensing	Measures indicating overall outputs and measures regarding individual efficiency exist at an aggregate level and demonstrate increasing workload and efficiency. Management needs to develop more reporting to determine overall effectiveness in delivering target service levels.	No
Animal Control Services	Well-defined goals and useful performance measures demonstrate the achievement of identified goals.	No

4.3. Risk Assessment Results

The OCA facilitated a risk identification and assessment analysis on each of the five business areas. The process of risk identification and assessment requires an understanding of business goals and how risks can impact the achievement of those goals. During this facilitation, risks were identified at a strategic and operational level. At the strategic level, OCA and management identified risks relating to the changing environment and business goals. At the operational level, risks were identified that could impact the on-going operations of the business units. Risks were reviewed with management in terms of the potential impacts (without controls in place), likelihood of occurrence and an evaluation of the controls that are in place to mitigate this risk. Table 4 is an overview of some of the keys risks identified and discussed with management.

Table 4 – Risk Identification and Assessment

Risk Identified	Preliminary Assessment	Additional Fieldwork
Complaints and Investigations Section		
Ineffective use of technology can impact productivity.	Management is addressing this as a change management issue.	Yes (see sections 5.1.2.1 and 5.3.2)
Stretched resources can impact the ability to deliver services.	Management indicated economic growth and new bylaws are key demand drivers.	Yes (see sections 5.1.1.1, 5.1.1.4, and 5.1.3.1)

Table 4 – Risk Identification and Assessment

Risk Identified	Preliminary Assessment	Additional Fieldwork
The parking contract is a significant revenue source for the City of Edmonton and transitioning between contractors can impact enforcement and revenue levels.	Current practice of contracting is currently being reviewed by the Administration.	No
Poor media management can impact corporate reputation.	Management is working to maintain good media relations.	No
Safety Codes Section		
The City of Edmonton accepts significant risk in terms of operating the building and safety codes program as demonstrated by regularly occurring lawsuits.	This risk is mitigated through a Quality Management Program that is regularly audited by an external organization.	Yes (see sections 5.1.1.2, 5.1.1.3, 5.1.3.2, and 5.3.1)
Staff members not performing inspections as intended can impact quality and productivity.	The inspection process was re-engineered and some controls such as inspection stickers were introduced.	Yes (see sections 5.1.2.3 and 5.3.3)
An aging workforce is a significant risk to this business unit given its reliance on individual knowledge.	Management has engaged staff in cross-training to reduce risk.	No
Customer Information and Advisory Services Section		
Stretched resources can impact the ability to deliver services.	This business unit provides the majority of communications and transactional processing for the entire Branch. The subsequent productivity improvements in this business unit have contributed to productivity improvements that have been seen in other business units.	No
The business unit has inherited staff members and other resources not ideally suited to a call centre environment, which can impact productivity.	Management has done considerable work in providing ongoing training.	No
Technology changes add to job complexity and can impact productivity as staff members require more training.	Management is working closely with the Information Technology Branch to address these issues.	No

Table 4 – Risk Identification and Assessment

Risk Identified	Preliminary Assessment	Additional Fieldwork
A proposed new city-wide call centre could negatively impact this Branch call centre in delivering Branch level services.	A corporate review is currently being conducted on the feasibility of the proposed city-wide call centre (311).	No
Permitting and Licensing Section		
Internal legislation and economic growth are creating greater demand for services and can impact the ability to meet current service levels.	Management has worked to maintain existing service levels, but believe that more resources may be required in the near future.	No
Planning technician positions are in high demand and the education industry is not generating enough new candidates which can impact the ability to deliver services.	Management has done considerable work in providing ongoing training.	No
Animal Control Services Section		
Accepting animals carrying infectious diseases can pose a risk to other housed animals.	Veterinary staff members at the Pound inoculate incoming animals and monitor outbreaks.	No
A computer system crash can impact the Branch's ability to deliver services.	Impacts not only this business unit but the entire Branch in its ability to deliver services.	Yes (see section 5.1.2.1)
Angry customers who are receiving fines for their pets may be a risk to employees when interacting with them at the Animal Pound.	Management has worked with staff on a protocol for dealing with unruly customers. Also, the new building design for the Pound will have better floor layout to reduce this risk.	No

4.4. Overall Assessment Summary

From the results of the core service review, the Development Compliance Branch has demonstrated an overall relatively strong rationale for the Branch program activities. The majority of activities within this Branch are designed to meet legislative requirements on community standards as defined within Council-approved bylaws. However, the OCA determined that continued relevance was an issue that required additional fieldwork.

Management provided performance measures for each business unit; however the OCA believes the performance targets did not satisfactorily demonstrate program effectiveness and individual efficiency and that additional fieldwork was required.

Overall, management has, in general, exhibited good risk management practice in terms of risk identification and control practices. However, risk exposure was still considered high for some activities, which was addressed by completing additional fieldwork.

5. Observations and Analysis (Fieldwork)

5.1. Effective, Efficient, and Economical Service Delivery

One of OCA’s objectives in this Branch audit was to provide assurance on the effective, efficient, and economical delivery of services such that overall, the Corporation achieves good value for money. Effective service delivery is aimed at ensuring that the resources used, achieve intended goals. Efficient service delivery is aimed at ensuring that resources are used in a productive manner. Economical service delivery is aimed at ensuring that services are delivered in a manner that minimizes costs for the services provided. From the areas identified through the risk assessment, the OCA developed and executed detailed audit programs during the fieldwork phase of this project. These audit programs included analysis and evaluation of Branch processes and output results, testing as to the significance of identified risks, and compliance with laws and procedures. Following is a summation of the most significant observations resulting from fieldwork.

5.1.1. Effective Service Delivery

5.1.1.1 Reactive versus Proactive Bylaw Enforcement

The Development Compliance Branch deploys a reactive service delivery approach to municipal bylaw enforcement. Bylaw enforcement is primarily initiated by a citizen complaint to the Development Compliance Branch call centre. The complaint is then forwarded electronically to municipal enforcement officers (enforcement officers) in the form of a work order. Enforcement officers respond to the complaint within four days and conduct an investigation. If noncompliance to a City Bylaw exists, then a notice of violation is mailed to the citizen. Follow-up investigations are conducted by the enforcement officers and, if noncompliance to the notice instructions still exists, a tag or court summons will be issued. Additional follow-ups may result in the enforcement officer taking further corrective action, such as using contractors to remedy noncompliance.

In the course of this audit, the OCA conducted a benchmarking engagement with the City of Calgary Animal and Bylaw Services Department. Table 5 is a summary of some of the benchmarking results from this engagement.

Table 5 – Municipal Bylaw Enforcement

<i>Benchmarking Edmonton to Calgary - Bylaw Enforcement (2004 results)</i>		
	<i>Edmonton</i>	<i>Calgary</i>
Complaints per bylaw officer – combined	1028	925
Voluntary compliance results (after warning)	90%	95%
Bylaw Officers per capita.....	5.26 per 100,000	5.57 per 100,000

One of the most important metrics in bylaw enforcement is that of voluntary resolution of identified bylaw infractions. The voluntary compliance rate is an indication of the citizens' willingness to freely comply with expected behaviors as defined in the City's bylaws. Achieving compliance through enforcement action (such as fines or corrective action taken by the Branch) consumes significant resources including follow-up costs and court time. Table 5 illustrates that Edmonton's voluntary compliance rate is 90% (reactive approach) compared to Calgary's voluntary compliance rate of 95% (proactive approach).

It is important to emphasize that the OCA believes the Development Compliance branch deploys an economical approach to service delivery and that overall, this reactive approach is reasonably effective in achieving enforcement results as is demonstrated by the 90% voluntary compliance rate. The 2005 program budgets for Edmonton and Calgary are \$3,580,000 and \$8,530,000 respectively. Calgary's budget includes provision for a city owned fleet, three city facilities, computer systems costs, and additional staff (approximately 30) in support and overhead roles, including an education and strategic unit. None of these items are included in the Edmonton budget for Bylaw Enforcement.

Being proactive in bylaw enforcement is about actively working to change citizens' behaviors. The Calgary model contains several elements that contribute to a proactive enforcement environment.

- ▶ Public Education (Calgary) – Currently three full time staff work in public campaigns and in schools to educate and raise public awareness of bylaws.
- ▶ Presence
 - All officers drive visible city-owned vehicles, whereas Edmonton officers use their private vehicles.
 - All officers are uniformed, whereas officers in Edmonton are in plain clothes.
 - Service delivery is provided in Calgary seven days a week and from 7:00 am to 10:00 pm daily. In Edmonton, service delivery hours are from 8:00 am to 4:30 pm Monday through Friday.
 - Calgary uses three geographically-separated service locations that are fully equipped. Edmonton has one vehicle location for animal control officers and a downtown office location for municipal enforcement officers.
- ▶ Public Interaction – Extended service delivery hours enables staff in Calgary to more often interact with citizens and discuss bylaws and issues of noncompliance in person.
 - The Edmonton practice of mailing infraction notices incurs costs of printing and mailing the notices, which could be avoided by dropping a hand-written notice in the mailbox.
- ▶ Long Term Commitment – Calgary is committed to increasing voluntary compliance and long-term reduction in bylaw enforcement costs. Ultimately, if voluntary compliance rates increase significantly, fewer enforcement resources may be required.

The hours of service for municipal bylaw enforcement in Edmonton contribute to the enforcement challenges. Enforcement officers work 8:00 am to 4:30 pm Monday through

Friday, which limits the amount of direct contact with citizens who are working outside the home. Officers interviewed indicated that they believe that they are most effective in enforcing bylaws when they can make personal contact with citizens and educate them on bylaw requirements.

The OCA recognizes the contribution of bylaw enforcement to the overall quality of life of citizens within the City of Edmonton. The OCA also recognizes the importance of value-for-money in service delivery and does not recommend that management fully adopt the service delivery approach used in Calgary. The OCA does believe, however, that there are cost-effective proactive elements in the Calgary approach that management should consider.

Recommendation 1	Management Response and Action Plan
<p>The OCA recommends that management work with Communications Branch to develop a more formalized public education program on City of Edmonton Bylaws.</p>	<p>Accepted Comments: Ongoing communication needs are important and this education program can be made part of the Branch’s effort to rewrite the General Bylaws (recommendation 13).</p> <p>Planned Implementation: Dec. 2007 Responsible Party: Branch Manager</p>
Recommendation 2	Management Response and Action Plan
<p>The OCA recommends that management review the current service delivery model to determine whether some staff resources can be reallocated to expand hours of operation for municipal enforcement services.</p>	<p>Accepted Comments: The Branch recognizes the value to customers of this recommendation but is concerned that this may result in additional resource requirements but will undertake a review of these possible costs.</p> <p>Planned Implementation: Dec. 2006 Responsible Party: Director, Complaints and Investigations</p>

5.1.1.2 Safety Codes Legislation

The provincial Safety Codes Act provides a framework for the development of a comprehensive safety system for the design, construction, operation and maintenance of buildings, equipment and material in a variety of settings. The Safety Codes Council is responsible to the Minister of Municipal Affairs and is governed by the Safety Codes Act. One of the Safety Codes Council’s responsibilities is to develop and administer a system to accredit municipalities, corporations and agencies to carry out specific activities under the Act. Accreditation allows a municipality to be responsible for applying provisions of the Act within their municipal boundaries and for the disciplines in which they are accredited. To be eligible for accreditation, a municipality must develop and submit a Quality Management Plan (QMP) for each discipline. These QMPs document the manner in which the City of Edmonton

intends to discharge the responsibilities delegated to it under the Act (QMPs are established by resolution of City Council). Since December 1995, the City of Edmonton has been accredited for the disciplines of Buildings (including Heating, Ventilating and Air Conditioning), Gas, and Plumbing.

Municipalities are formally reviewed every three years by Alberta Municipal Affairs (Public Safety) or in the year following receipt of an aggregate score less than 70% on their review. Edmonton's last review was conducted in February 2005 and was awarded a satisfactory rating of 96%. For comparative purposes, the City of Calgary's 2003 accreditation review resulted in a score of 93%.

5.1.1.3 Safety Codes Re-inspection Process

During the OCA's ride-alongs with both a Building and a Mechanical Inspector, the OCA observed what appeared to be a high percentage of re-inspections and investigated this matter further. Out of a total of 9 building inspection sites observed, 3 locations required another inspection. In one location, deficiencies that were noted during the original plans examination stage were still not addressed by the homebuilder, yet the builder had requested a framing inspection. The second location had no plans on site (a homebuilder responsibility), thereby making it impossible to initiate the requested framing inspection. The third location (also scheduled by the homebuilder) was not ready for the vapour barrier/insulation inspection. Out of eleven mechanical inspection sites observed, one location required another inspection because the builder scheduled the inspection prematurely (the furnace was not yet installed). While some degree of re-inspection cannot be avoided, it may be that some homebuilders do not fully understand or are not concerned with the City's expectations prior to requesting or scheduling a given inspection.

Bylaw 8664 (The Edmonton Building Permit Bylaw) and Bylaw 11004 (Mechanical Permit Bylaw) both provide a provision for assessing a \$50.00 fee for additional inspections under the following conditions:

- i.) No address on site, building, or suite as applicable;*
- ii.) Inspector unable to access building, having been called to inspect;*
- iii.) Project not ready for inspection, when inspector has been called to do an inspection; or*
- iv.) Inspection called when previously identified deficiency has not been corrected.*

The OCA has determined that this assessment fee for additional inspections is not currently being applied by the Development Compliance Branch.

In order to determine the significance of not assessing these fees, the OCA asked management to provide a four-day sample of permit data. Of the 341 permits analyzed 70% met code requirements on the first inspections and 30% required at least one additional inspection. For the data sample, 149 additional inspections (multiple inspections can occur per permit) or re-inspections occurred. OCA further analyzed this data to determine how many of these re-inspections would be eligible for fee assessment under the provisions of the Bylaws 8664 & 11004. The following table summarizes these results.

Table 6: Sample Data - Potential for Assessment Fee

Bylaw 8664 & 11004 Provisions for Fee Assessment for Additional Inspections	Number	Pct.
<i>i). No address on site, building, or suite as applicable</i>	0/149	0%
<i>ii). Inspector unable to access building, having been called to inspect</i>	25/149	17%
<i>iii). Project not ready for inspection, when inspector has been called to do an inspection</i>	37/149	25%
<i>iv) Inspection called when previously identified deficiency has not been corrected</i>	0	0%
Met code requirement (first time re-inspection – no fee assessed)	87/149	58%

From this analysis, the OCA observed that 58% of first time re-inspections meet code requirements. The OCA believes that these re-inspections add significant value to the inspection process and to public safety and that not assessing an additional fee is appropriate. However, the remaining 42 percent of re-inspections do not add value, but still consume inspection resources. Since the client is in control of placing the call to arrange for re-inspections, levying a fee to recover the costs of unnecessary re-inspections would likely promote positive behavioural changes.

Working with management, the OCA estimated that approximately 5,600 re-inspections are conducted every year. Based on the sample data analysis, 42% or 2,352 inspections should be assessed a fee of \$50 or \$118,000 annually. The OCA believes that applying the assessment fee consistently will increase the Branch's overall productivity as the number of re-inspections decreases.

Furthermore, the OCA also believes that the \$50 fee assessed is not representative of re-inspection costs for the Branch and that the Branch should re-evaluate this assessment fee. For example Calgary's Building Regulations Division applies a re-inspection fee of \$158.00 to recover the cost of the re-inspection. Their abridged policy states: *The intent of this policy is to change the behavior of the few contractors who consistently fail to resolve deficiencies in a complete and timely manner or otherwise cause non-value use of resources.*

Communicating inspection-related expectations to the development industry (and also homeowners working on enhancement projects) along with applicable bylaw requirements will translate to better customer service (i.e., being more pro-active rather than reactive). This may require that the Branch host some information sessions with home builders. The OCA believes that communicating inspection-related expectations to the development industry (and also homeowners working on enhancement projects) along with appropriate bylaw requirements will translate to a better customer service for the overall development community. Another means of communicating expectations could be to print additional fee conditions on building permits.

Recommendation 3	Management Response and Action Plan
<p>The OCA recommends that the Development Compliance Branch consistently apply the assessment fee for additional inspections in accordance with Bylaw 8664 (The Edmonton Building Permit Bylaw) and Bylaw 11004 (Mechanical Permit Bylaw).</p>	<p>Accepted Comments: A codified process reflecting what is taking place now, which includes discussion with the industry and specific builders, will be developed and if fee increases are warranted, they will be brought forward in Bylaw form.</p> <p>Planned Implementation: Dec 2006 Responsible Party: Director, Safety Codes Section</p>
Recommendation 4	Management Response and Action Plan
<p>The OCA recommends that the Development Compliance Branch review the adequacy of the current extra inspection fee and bring forward a motion to Council.</p>	<p>Accepted Comments: The Branch will document a process that includes general education, specific sessions with builders who are requiring significant number of re-inspections and update the Bylaws related to this process</p> <p>Planned Implementation: Dec 2006 Responsible Party: Director, Safety Codes Section</p>
Recommendation 5	Management Response and Action Plan
<p>The OCA recommends that management work closely with the development industry to ensure that the City’s expectations for conducting inspections and the re-inspection process are communicated clearly.</p>	<p>Accepted Comments: The Department has ongoing and regular channels of communication with the industry and will continue to focus on this issue.</p> <p>Planned Implementation: Ongoing Responsible Party: Branch Manager</p>

5.1.1.4 Municipal Bylaw Enforcement Officer Qualifications

There are three levels of municipal enforcement officers. Each level requires a two-year diploma in bylaw enforcement. However, the second level also requires a minimum of three years of experience. Of the 19 enforcement officers for which data were obtained, only seven meet the current educational requirements. These seven enforcement officers are relatively new to the business unit and have significantly less experience on average (9.4 years), compared to the twelve enforcement officers who do not meet the educational requirements (19.9 years). The average for years of experience for all enforcement officers is 16.1 years. Educational requirements are an important aspect of professional career development and individual fulfillment. Without ongoing educational development, employees may not perform at optimum levels of effectiveness.

Recommendation 6	Management Response and Action Plan
<p>The OCA recommends that management work with enforcement officers to develop appropriate educational plans consistent with the educational requirements for the bylaw positions.</p>	<p>Accepted</p> <p>Comments: The Branch is committed to hiring qualified staff and to providing every opportunity for existing staff to upgrade qualifications.</p> <p>The Branch will ensure that the next cycle of annual performance reviews include voluntary upgrading plans where appropriate. It must be noted that the collective agreement would not support the forced upgrading of qualifications for existing staff.</p> <p>Planned Implementation: Dec 2006 Responsible Party: Director, Complaints & Investigations</p>

5.1.1.5 Three-Strike Policy

The three-strike policy adopted by the Development Compliance Branch is an unwritten policy that is coupled to the Branch’s informal bylaw-friendly policy. In essence, the three-strike policy is an escalating approach to achieving compliance with Council-approved bylaws. The three-strike policy works as follows: After a bylaw violation occurs, enforcement officers inform the offender about an offence by giving a verbal or a written notice (strike one). If the deficiency is not corrected by the specified date or the bylaw offence reoccurs, enforcement officers issue a notice or tag/summons (strike two). Finally, if the deficiency is still not corrected after the specified date, a court order will be issued and City contractors may be used to correct the deficiency (strike three).

The three-strike policy is intended to be a guiding philosophy or philosophical approach and is used in conjunction with a “Bylaw Friendly” media/public communication initiative. It provides a “friendly” message to both the staff and the public about an overall approach that favors voluntary compliance over punitive action, but like any umbrella approach, it requires interpretation and discretion in its implementation. Staff members’ understanding of this policy is critical to its success.

The impact of this observation is that Management has communicated the idea of a three-strike practice of enforcement to the general public. However, based on comments received from enforcement officers, management’s efforts to introduce the three-strike policy have not been completely successful. Enforcement officers are generally aware of the policy but some do not clearly understand how to consistently apply it. Officers indicated that the process of enforcement more often than not requires exercise of some discretion and negotiation, making this approach difficult to apply consistently. Enforcement officers also indicated that

since each bylaw is quite different, the enforcement approach must also be different. For example, repeat bylaw offenders may be given tags immediately after a violation.

Recommendation 7	Management Response and Action Plan
<p>The OCA recommends that Management review the intent of the three-strike policy and take appropriate action to support staff in the consistent application of this policy.</p>	<p>Accepted</p> <p>Comments: The Branch’s use of the term “Three Strikes” is as much a symbol of our overall effort to persuade Edmontonians of the value and purposes of general bylaws as it is a tool or guide for the use of discretion by officers in the field. In the Branch’s view the problem is not staff members’ understanding of the “policy” but rather uncertainty as to the limits of discretion.</p> <p>This is an issue that can and will be resolved. The Branch will review all policy and procedure instructions that have been developed and will undertake internal staff training sessions around the use of discretion.</p> <p>Planned Implementation: Dec 2006 Responsible Party: Director, Complaints & Investigations</p>

5.1.2. Efficient Service Delivery

5.1.2.1 Use of Technology (POSSE and productivity)

In order to perform the Branch’s work efficiently, it is essential that all users have timely access to POSSE during working hours and that any planned downtime is scheduled to minimize impact on users. The department has a Service Level Agreement with the Information Technology Branch of Corporate Services that details the users’ hours of operation and the planned availability of applications during those hours. POSSE outage/downtime information was obtained for the period of January 2004 to May 2005 and during this seventeen-month period there were only five incidences of unplanned outages. Of these five outages, four were less than 20 minutes in duration and one outage was approximately seven hours in duration.

POSSE system availability is not a significant problem as was initially identified. However, wireless transmission problems do exist. To determine the impact on productivity of wireless transmission problems, the OCA conducted ride alongs with safety code inspectors and enforcement officers and observed problems transmitting and receiving data in the field. Unreliable data transmission over the wireless network has resulted in enforcement officers traveling to and from the office before their first site visit each day to input data that was manually recorded the previous day. This duplication of effort as well as the extra time to

travel from the office to the first site visit has not resulted in the associated savings anticipated with wireless transmission.

Recommendation 8	Management Response and Action Plan
<p>The OCA recommends that management evaluate means of overcoming the connection difficulties with the wireless network to ensure that the Branch’s objective of receiving and transmitting data in the field can be satisfied.</p>	<p>Accepted Comments: The Branch is also concerned with the connectivity of the wireless connection and will continue to work with both the Information Technology Branch and the Administration’s Mobility Project to ensure that connectivity is continuously improved. These efforts are ongoing and need a reasonable period of time before measuring improvement.</p> <p>Planned Implementation: Dec 2007 Responsible Party: Branch Manager</p>

5.1.2.2 Individual Performance – Bylaw Enforcement Officers

Management provided the OCA with information on organization and individual performance and discussed how this information is used in decision-making. Both the Animal Control and Municipal Enforcement units have some individual and organizational accomplishment measures.

Supervisors frequently discuss individual performance with staff. However, no formal or written targets exist for individual performance. Individual performance varied significantly. For example, the number of complaints managed by each employee over a reasonably long term varies significantly with some enforcement officers handling 20 to 30 complaints per day while others handle 10 to 15. Similarly, some enforcement officers issue significantly more warnings and tags than others. During field observations with enforcement officers, the OCA observed that enforcement officers can spend up to 50% of their time at the office. The rationale that staff members provided is that they find it easier and more efficient to process notices back at the central office.

Without effective individual performance targets, enforcement officers do not have clear statements of Management’s expectations, with the result that enforcement officers’ performance levels differ significantly.

Recommendation 9	Management Response and Action Plan
<p>The OCA recommends that Management establish effective individual performance targets for all staff members in terms of minimum expected field hours, and the number of investigations conducted per day.</p>	<p>Accepted Comments: These targets exist informally now and it makes good sense to formalize them.</p> <p>Planned Implementation: Dec 2005 Responsible Party: Director, Complaints & Investigations</p>

5.1.2.3 Productivity Increases

Commercial POSSE (Permit One Stop SErvice) is an electronic application used to develop electronic workflow, allow data entry and maintenance by multiple users, develop and track data relationships, and enable user-defined interfaces. POSSE was used to build the Electronic Permitting System. The Electronic Permitting System is a province-wide electronic permitting system providing data management for permit applications and approvals, plan reviews, and inspections for municipalities that have provincially accredited building, electrical, gas, and plumbing disciplines.

POSSE is rich in inspection-related data, but significant effort is required to translate this data into meaningful and timely management information reports. Although POSSE can be queried by team leaders to determine if certain inspection activities have been undertaken, there are no management information reports that provide an overall assessment of efficiency and productivity of the field work conducted by inspectors. Observations based on an analysis of POSSE data indicate the following:

- There is insufficient management information reporting to assess the reasonableness of productivity expectations of staff members or an assessment of how well actual individual performance compares with these expectations.
- Limited analysis was conducted on one complete day of work for all building inspectors. On average, 15.4 inspections were completed per inspector, with a range of 10 to 19 inspections per inspector. If this average was increased by only one additional inspection per day (each inspection requires approximately 30 minutes), this would represent an overall 6.5% productivity increase.
- The duration between the first and last inspection on one day for one inspector was 73% of the workday (5.5 of 7.5 hours) while another inspector spent 90% of his workday (6.75 of 7.5 hours) in the field. If an incremental increase of one additional building inspection per day could be achieved, it would represent a productivity increase of 7.4%.

Preliminary analysis suggests that there may be some opportunities to make better use of existing inspection resources through closer monitoring of daily work.

Recommendation 10	Management Response and Action Plan
The OCA recommends that automated management information reports be developed for all inspection and re-inspection related activities to ensure optimally efficient use of resources for all disciplines.	<p>Accepted</p> <p>Comments: The Branch agrees with recommendation and a number of special reports can be developed and used.</p> <p>Planned Implementation: Dec 2006</p> <p>Responsible Party: Director of Safety Codes Section</p>

5.1.3. Economical Service Delivery

5.1.3.1 Safety Codes Service Levels

The OCA undertook a high level benchmarking exercise between Edmonton’s Safety Code Section and the equivalent operation in Calgary. The exercise considered population levels, number of permits issued, and the ratio of inspectors to permits. After leveling the data, the

OCA concluded that the resource levels between the cities were approximately the same (within 10%).

The OCA was unable to directly compare all the different inspection steps between Edmonton and Calgary without knowing the specific operational activities involved in each. Table 7 compares the inspection steps for construction of new homes only. This comparative analysis does not include, for example, the inspection steps required for commercial buildings and/or renovation projects.

Table 7: Overview of Edmonton and Calgary Inspection Processes

Edmonton Inspection Work (House Combo Permit Inspections)	Calgary Inspection Work (New Home Inspections)
<p>Buildings</p> <ul style="list-style-type: none"> ▪ Footing & Foundation ▪ Framing First ▪ Insulation / Vapour Barrier ▪ Final Building <p>Plumbing & Gas</p> <ul style="list-style-type: none"> ▪ Ground Work ▪ Plumbing Stacks ▪ Natural Gas <p>Heating & Ventilation</p> <ul style="list-style-type: none"> ▪ HVAC Stack ▪ HVAC Duct ▪ HVAC Hydronics (as required) ▪ Final / Residential HVAC <p><i>Note: Electrical inspections completed by an outside agency. Generally underground / rough-in inspections are completed at the same time, followed by a final inspection.</i></p>	<p>Pre-Backfill Phase</p> <ul style="list-style-type: none"> ▪ Footings & Foundation ▪ Electrical Underground ▪ Sanitary & Storm <p>Pre-Board Phase</p> <ul style="list-style-type: none"> ▪ Framing ▪ Wood Burning Stove or Fireplace (as required) ▪ Gas Rough-in ▪ Gas Fireplace (as required) ▪ Plumbing Rough-in ▪ Electrical Rough-in ▪ HVAC Rough-in <p>Pre-Possession Phase</p> <ul style="list-style-type: none"> ▪ Building Final ▪ Plumbing Final ▪ Gas Final ▪ Electrical Final ▪ HVAC Final

One preliminary observation the OCA noted and discussed with Calgary officials related to the insulation/vapour barrier inspection step. Calgary advised the OCA that through an analysis of risks associated with this step, they concluded that this particular inspection activity could be eliminated without any impact on public safety. All inspection programs in Edmonton should be assessed to ensure that the level of inspection for various types of construction is proportionate to risk. The greater the risk to public safety, the greater the inspection requirements should be. Areas where risk is low should be assigned lower priority or eliminated and should incur less expense.

In 2003, Calgary initiated some major process improvements to address the following issues they identified by analyzing their inspection data in POSSE: (a) a high failure rate for first inspections per phase, (b) work was not ready or not complete for inspection, resulting in non-value-added inspections, (c) an average of 21 inspections per home (with some homes exceeding forty inspections), (e) a large number of permits remaining “open” due to unresolved deficiencies, (f) a need for clear communications of requirements and a predictable approach and accountability for all parties, and (g) a need to more effectively use inspection resources. Calgary’s overall goal is to reduce the number of inspections without sacrificing public safety. Calgary’s management information reports summarize the average number of inspections completed for each builder along with compliance/re-inspection rates. By reviewing this information, they also know which builders require frequent re-inspections, allowing them to work with those builders to reduce the number of re-inspections. This type of management information is also summarized by inspection phase (pre-backfill, pre-board,

and pre-possession, etc.) to identify recurring themes. Recent data shared with the OCA indicates that Calgary has achieved a 15.7% reduction in the number of inspections.

Calgary’s Building Regulations Division identified the following benefits of streamlining their inspection processes: (a) reduced inspections on single family homes resulting in fewer interruptions to construction, (b) improved inspection pass rates, resulting in fewer re-inspections and therefore, fewer fees to the builders, (c) all inspections occur at pre-determined progress phases during construction, (d) improved process efficiency and quality inspection services, (e) all inspections in a particular phase occur in one day, resulting in fewer interruptions to construction, (f) the builder communicates only once per phase of construction to book the required inspections, (g) increased inspection predictability and consistency for builders, and (h) improved understanding of The City of Calgary inspection process.

Recommendation 11	Management Response and Action Plan
<p>The OCA recommends that management undertake a formal quantitative analysis of all inspection activities undertaken and use risk analysis methodologies to determine whether specific inspection activities that could be eliminated while maintaining public safety, thereby ensuring for the citizens that the City’s inspection program is economical.</p>	<p>Accepted Comments: The Branch agrees that it makes sense to formally review the list of inspections required on new development from time to time. The last review was done in the mid 90’s. However the review does require field and front line staff participation and given current construction activities would affect overall performance on time lines of review and inspection of new construction. Therefore the project can only be undertaken as resources are available and will take some time to complete.</p> <p>Planned Implementation: Dec 2007 Responsible Party: Director, Safety Codes Section</p>

5.1.3.2 Vehicle Usage (Cost)

Moving from the use of personal vehicles in several business units to City-owned vehicles could result in a more economical, effective delivery of various compliance and enforcement programs. Several business units in the Branch rely on the use of personal vehicles for work. However, job postings do not require that candidates provide their own personal vehicle for high kilometer usage. The business units affected include:

- Safety Codes Section (29 inspectors conduct inspections to ensure compliance with the Safety Codes Act. Staff members accumulate on average 14,000 kilometers per year).
- Complaints & Investigations Section (19 enforcement officers undertake bylaw enforcement activities. Enforcement officers currently accumulate on average 6,500 kilometers per year. If the recommendations relating to increased time in the field are adopted, the OCA believes this mileage could double.)

- Permitting & Licensing Section (4 enforcement officers enforce various specialty bylaws such as the Personal Services Bylaw).

The OCA completed an economic and operational analysis on the use of personal vehicles versus using city-owned vehicles based on data and operating characteristics from the Safety Codes Section (limited scope). Inspectors, who start work from home, currently use their personal vehicles as mobile work stations while conducting inspections and are reimbursed based on mileage claims.

The City's vehicle reimbursement rate as at July 31, 2005 was \$0.42 per kilometre. If inspectors used newer vehicles from the City fleet, the cost to the Branch would be approximately \$0.51 to \$0.54 per kilometre. However, another option is available and should be considered. Using police vehicles that are retired from police operations and refurbished by MES to meet operational needs would cost approximately \$0.30 per kilometre. This could represent an annual operating budget savings to the Branch of up to \$105,000.

The business case for using city-owned vehicles is further enhanced when considering that a marked City vehicle both increases personal accountability and strengthens internal controls. For example, Calgary indicated that they believe that: (a) starting work on time is more consistent, (b) multiple inspectors meeting as a group for a scheduled lunch or coffee break at one location for extended periods of time is reduced, (c) leaving work prior to the end of shift is decreased, and (d) there is ongoing scrutiny from the general public and others.

In addition, some enforcement officers indicated that they were uneasy with the casualness of conducting their enforcement duties in their personal vehicle. Inspections or enforcement activities by their nature require presence and stature – both of which are made easier and more effective with a City-owned vehicle.

Calgary is currently introducing leased vehicles to their operations. These vehicles are being deployed in Business License (8 units), Buildings Regulations (50 units) and Land Use & Development (13 units). If Calgary's productivity estimates of 10% to 15% gains by using a City fleet are reasonably accurate, the efficiency improvement in the Safety Codes Section alone could translate to an effective increase of three to four inspectors from efficiency gains.

Achieving these efficiency improvements and strengthening internal controls would require a new deployment strategy in the Safety Codes Section. The most basic of which would be strategically positioned "depots" (utilizing current city facilities dispersed through out the City to park City-owned vehicles and provide minimal office space requirements). An additional benefit to the Branch that is associated with this strategy is that employees would no longer receive both time and mileage reimbursement when traveling to/from home.

This analysis provides a business case from the perspective of increasing operational efficiency, reducing annual operating costs, and strengthening internal controls. More detailed analysis of the costs, benefits and operational effectiveness should be conducted not only for the Safety Codes Section, but also the Complaints and Investigations Section and the Permitting & Licensing Section.

Recommendation 12	Management Response and Action Plan
<p>The OCA recommends that the Development Compliance Branch monitors and evaluates Calgary’s experience with deploying City-owned fleet vehicles prior to potential implementation of a City-owned fleet in Edmonton.</p>	<p>Accepted Comments: The Branch can identify both positive and negative outcomes from the approach being implemented by Calgary and will follow Calgary’s progress in detail.</p> <p>Planned Implementation: Dec 2007 Responsible Party: Director, Safety Codes Section:</p>

5.2. Core Service Review

5.2.1. Program Rationale and Relevance

The OCA has worked closely with the Development Compliance Branch management team in identifying and evaluating the Branch program activities. The Development Compliance Branch operates in an environment where legislation is a primary business driver. The majority of program activities within the Development Compliance Branch are designed to achieve the objectives of bylaws approved by City Council.

Another important driver for the Branch’s programs is the importance of the Branch’s services to its customers. Each program activity was evaluated with regard to its importance to its customers. Overall, the program activities evaluated within the Branch have significant impact on the quality of life of citizens of the City of Edmonton.

In addition, the OCA worked closely with the Development Compliance Branch to evaluate continued program and activity relevance. In order to establish continued program relevance, the OCA examined relevant City of Edmonton Bylaws and the processes used to enforce them.

5.2.2. Bylaw Amalgamation

The Complaints and Investigation Section of the Development Compliance Branch is responsible for enforcement of nineteen separate municipal bylaws. Eighteen of these bylaws are general in nature and are enforced by enforcement officers. The *Animal Licensing and Control Bylaw* is enforced by Animal Control Officers. Based on reviewing enforcement procedures and conducting staff ride-alongs with enforcement officers, it is apparent that overlaps exist in several of the eighteen bylaws. For example, the Waste Management Bylaw deals with unmanaged garbage areas and the Nuisance Bylaw deals with unmanaged areas on all portions of the property, including garbage areas. Similarly, the Traffic Bylaw includes littering as does the Public Place Bylaw. The OCA also observed that many of the names used in existing bylaws are no longer relevant. For example, the Public Health Bylaw is currently intended to deal with the safety issues related to older style refrigerators. The large number of bylaws that officers enforce adds to complexity for staff performing enforcement work. More importantly, these general municipal bylaws in their current state are impairments to the public’s understanding of their role and responsibilities relating to City’s bylaws.

Simplifying the eighteen bylaws into as few as four bylaws relating to such categories as private property, public property, traffic, and environmental management could more effectively promote the City's expectations related to bylaw adherence. The recent amalgamation and rewrite of the precursor bylaws to the *Animal Licensing and Control Bylaw* is a visible example of success in bylaw amalgamation.

Recommendation 13	Management Response and Action Plan
<p>The OCA recommends that management make the rewrite and consolidation of the eighteen bylaws in the general enforcement area a higher priority.</p>	<p>Accepted Comments: The value of up-to-date legislation is recognized. The Zoning Bylaw was redone in 2001 and the Animal Bylaws and the Business Licencing Bylaw were redone in 2002. Taxi Bylaws are underway.</p> <p>It must be noted however that these major bylaw rewriting exercises do have a cost. They require staff to work on them. Considerable public consultation often involves consulting services.</p> <p>The Auditor's report provides an indication of the differing resources available in Calgary and Edmonton within General Bylaw enforcement. One of the key differences is that Calgary's operation includes staff specifically devoted to policy development to undertake exercise like this. In Edmonton's situation, the staff required to do this work are front line staff and therefore a decision to undertake this work has a significant impact on day to day duties.</p> <p>The Branch will look for opportunities to undertake this work but it must be regarded as ongoing.</p> <p>Planned Implementation: Dec 2008. Responsible Party: Branch Manager</p>

5.2.3. Environmental Assessments

The Complaints & Investigations Section provides environmental assessment services as requested by external organizations such as legal firms. The term “environmental assessment” is misleading. These assessments provide an assurance that there are no outstanding bylaw orders or fines related to the property. Legal firms request this information in order to protect clientele from an unexpected liability that may exist against a given property.

Each of these assessments requires approximately 15 to 30 minutes of a bylaw officer’s time and about 30 to 40 minutes of the Customer Information and Advisory Services Section’s time. This equates to about one hour per environmental assessment. On average, about 250 environmental assessments are performed annually, which equates to about 250 hours of work for the Branch.

When performing an environmental assessment, enforcement officers must conduct a check of manual records as well as newer records created using POSSE. This particular activity was identified as being of low core value. Staff questioned as to why they should provide this service for free, if at all, to outside organizations. Currently, there is a relatively small impact to overall resource consumption and as all records become electronic and available on-line over time, this activity will require even fewer resources.

Recommendation 14	Management Response and Action Plan
<p>The OCA recommends that management investigate the e-business opportunity for this activity and the potential for charging a fee for this service.</p>	<p>Accepted Comments: The recommendation has been embraced by the Branch and work is presently underway to completely reengineer and rename the business processes and introduce a fee for the service as part of the 2006 budget proposal.</p> <p>Planned Implementation: Dec 2005 Responsible Party: Director, Complaints & Investigations</p>

5.3. Risk Management and Controls

5.3.1. Organizational Effectiveness in the Safety Codes Section

The Safety Codes Section has three managers and five team leaders (Senior Inspectors), with each team leader accountable for the work of seven to ten inspectors. The team leaders and inspectors are all members of the same union, which could place the team leaders in a difficult position when dealing with productivity and accountability issues.

Inspectors start/end work from their residence and work remotely using technology including laptop computers, cellular phones, high speed internet connections at home, personal

vehicles, etc. Inspectors are in daily telephone contact with team leaders and meet downtown every two weeks with their team leaders and managers to discuss technical and administrative items.

The buildings unit was not able to provide evidence that direct monitoring and reporting of field activities takes place. The mechanical unit provided very limited evidence of direct monitoring of field activities. Management indicated that they would like to have Commercial POSSE enhanced to include records of reviews of monitoring reports, field audits, and other information.

Management has indicated that they believe that current resource levels are inadequate to provide for adequate monitoring of the field activities for all inspectors. The team leaders are often required to conduct inspections to keep up with the demand for service. Team leaders are effectively working supervisors who perform similar numbers of inspections as the other inspectors in their units. In addition to their inspection duties, team leaders schedule inspectors' daily project assignments, assist inspectors in problem-solving, and monitor inspector performance.

Additional monitoring and reporting of field activities will help the Safety Codes Section demonstrate that the following potential risks are well managed:

- Inspectors not working in a manner that is consistent and of uniform quality within each discipline and not providing consistent interpretation and application of Safety Code requirements.
- Inspectors not achieving reasonable productivity levels or satisfying management expectations on defined start and end work times.
- Inspectors not completing activities as planned and scheduled.
- Missing opportunities to improve existing performance.
- Team leaders and inspectors not conducting the required work as scheduled.

In the opinion of the OCA, the concept of a “working supervisor” or “team leader” is appropriate when resources are limited. However, compensating controls need to be in place to mitigate identified risks and allow effective monitoring of field activities. The OCA believes that productivity gains identified in other areas could be reallocated to free up resources needed to ensure that appropriate monitoring of field activities takes place.

Recommendation 15	Management Response and Action Plan
<p>The OCA recommends that management develop an accountability framework to ensure that effective monitoring of field activities occurs and that appropriate records are maintained.</p>	<p>Accepted Comments: The Department is committed to the efficiencies found in the previous reengineering exercise of having working supervisors. However, the Branch agrees that more can be done to audit and manage the results of inspections to ensure both consistency and efficiency.</p> <p>Planned Implementation: Dec 2006 Responsible Party: Branch Manager</p>

5.3.2. Positioning Technology – Individual Accountability

The City has significant experience with the deployment of on-board positioning technology. This technology involves the use of Global Positioning Satellites, wireless data communication, and web-based reporting which can be attached to a vehicle or other technology. This technology could be used to confirm safety code officer and enforcement officer location (on a real-time basis) and hours logged.

Knowing where all safe code officers and enforcement officers are in real-time during working hours via technology is not a replacement for direct monitoring of field activities but it can increase the team leader’s “reach” by complementing direct monitoring. Management is currently evaluating options, including technological solutions, to satisfy provincial legislative requirements for individuals who work alone. Positioning technology can include the ability to automatically generate key management information reports that would add to increased accountability regarding safety code officer and enforcement officer field activities.

Recommendation 16	Management Response and Action Plan
<p>The OCA recommends that management continue to evaluate means of implementing positioning technology for use by all field staff in the Branch.</p>	<p>Accepted Comments: Positioning Technology has a number of values including officer safety. A variety of options exist on where to place devices, other than the private vehicle of the Officers. These options include lap tops and cell phones. This changes the issue from Mobile Equipment to IT.</p> <p>It also comes with additional cost implications. There will be both hardware costs and operating cost in terms of monitoring the system and using the information. The Branch will work with the IT Branch to identify and minimize the costs.</p> <p>Planned Implementation: Dec 2007 Responsible Party: Branch Manager</p>

5.3.3. *Vehicle Usage – Ergonomic Hazards and Employee Safety*

Employees' personal vehicles are being used as a mobile office and work stations. At present, employees have to work in awkward postures while entering data into their notebook computers. Over time, repeated awkward movements can lead to musculoskeletal injury. Employees complete their data entry tasks by either twisting the torso by approximately 90 degrees to use the computer on the passenger seat or attempt to position and hold the notebook computer between the steering wheel and the employee's abdomen. Positioning the laptop on the passenger seat exposes the upper back, lower back, shoulders and neck to increased risk of injury. Working with the computer on their lap forces employees to hold their wrists and fingers in positions that result in repeated strains. In the opinion of the City's Ergonomics Consultant, both options constitute an ergonomic hazard (i.e., awkward working postures and/or twisting near the end of a person's range of motion that is combined with repetitive movements). If this issue is not appropriately addressed, the City is at risk of higher Workers Compensation Board claims in the future. The Development Compliance Branch should resolve this ergonomic hazard in a timely manner by consulting with the City's Employee Safety & Wellness Section and Mobile Equipment Services to mitigate these risks.

Some staff members have constructed (at their own expense) a portable work table that is positioned between the driver and passenger seat. Although this makes the mobile work station friendlier to use, further employee safety hazards could be encountered during a sudden stop (e.g., the notebook computer, papers, pens, hardhat, etc. can go flying about). Some staff members have also supplied a box to hold such items as the Safety Codes Guides, Technical Information, paper pads, pens and pencils, clip boards, various pamphlets and brochures to share with customers, tools, etc. An ergonomically-designed mobile work station would ensure that all equipment and supplies required in the vehicle are appropriately secured to reduce the risk of personal injury.

Over the last two years, the Development Compliance Branch, Mobile Equipment Services Branch, Law Branch and Occupational Health & Safety have been communicating regarding options that might resolve this issue, but to date the issue is still unresolved.

Recommendation 17	Management Response and Action Plan
<p>The OCA recommends that management work in conjunction with the City’s Occupational Health and Safety Section to conduct an ergonomics and safety assessment of staff member’s personal vehicles and develop appropriate action plans.</p>	<p>Accepted with modification Comments: The problem of ergonomics is much larger than just the Development Compliance Branch and needs a corporate solution as opposed to a Branch-lead solution. The Development Compliance Branch cannot solve this issue. The issue faces all City workers in vehicles regardless if the vehicles are City-owned or privately owned.</p> <p>There are very limited resources available within the Occupational Health and Safety Unit to undertake such a broadly-scoped exercise. However, the Branch will work with the unit to define a project and scope out the time lines for completion.</p> <p>Planned Implementation: Dec 2006 Responsible Party: Branch Manager</p>

6. Conclusions

The OCA conducted a comprehensive review of the Development Compliance Branch and each of its five individual business units. This review included a core service review, a performance measurement review, and a risk identification and assessment on each business unit in cooperation with management. Additionally, detailed fieldwork was conducted on the areas judged to be of most significance resulting in opportunities for improvement being identified along with appropriate recommendations for change.

The Development Compliance Branch has demonstrated a reasonably strong overall rationale for the Branch program activities. The majority of activities within this Branch are designed to meet legislative requirements regarding community standards as defined within Council-approved bylaws and provincial legislation. The OCA evaluated program relevance and we believe that the current state of the municipal bylaws is an issue. The large number of municipal bylaws and overlaps among them make it difficult for the Branch to communicate expectations to staff and to the public. This issue can be resolved as management addresses the rewrite and consolidation of existing municipal bylaws.

The Development Compliance Branch deploys a reactive service delivery approach to municipal bylaw enforcement. The OCA believes that there are cost effective measures that could be implemented to become more proactive (such as enhanced communications on bylaws and increased service delivery hours), thereby increasing the Branch’s effectiveness. The Branch can improve operational efficiency by improving the use of management information reporting and individual performance expectations. Additionally, management can address the issue of non-compliance to bylaws regarding development re-inspection fees.

Management has in general exhibited good risk management practices. However, some risks still need to be addressed. The OCA believes that the employee ergonomic and safety risks that exist due to the use of personal vehicles without ergonomically-designed work spaces needs to be further assessed and acted upon. The OCA believes that management must also address the risks related to inadequate monitoring of field activities in the Safety Codes Section.

With regard to the original audit objectives, the Office of the City Auditor has concluded that:

1. The Development Compliance Branch is generally operating in an economical manner. However, the Branch in its entirety can improve its efficiency and effectiveness.
2. Strong rationales for the majority of programs and activities exist within the Branch, but program relevance is still an issue in some cases.
3. In general, the Branch exhibits good risk management practices, but not all risks within the Branch are being managed to an acceptable level.

Management has accepted the recommendations included in this report and the Office of the City Auditor will conduct follow-up audits relating to these recommendations.

The Office of the City Auditor thanks the management team of the Development Compliance Branch for their extensive efforts during this audit.

Appendix 1 - Development Compliance Branch - Core Service Review

Activities	Legislative and Council Direction	Alignment with goals and objectives	Core Competencies	Services to citizens and customers	Contribution to key performance indicators	Total	Business Unit
1. Inspections	4.0	4.0	4.0	4.0	4.0	20.0	Safety Codes
2. Permitting	4.0	4.0	3.1	4.0	4.0	19.1	Safety Codes
3. Development permits	3.8	3.8	3.3	4.0	4.0	18.9	Permitting & Licensing
4. General Enforcement Services	3.6	3.8	4.0	3.6	3.0	18.0	Complaints & Investigations
5. Accept stray cats & dogs and provide care	4.0	3.8	3.1	3.0	3.8	17.7	Animal Control Services
6. Animal Control	4.0	3.8	3.1	3.8	3.0	17.7	Complaints & Investigations
7. Front counter customer service	3.3	4.0	3.8	3.1	3.3	17.5	CI&AS*
8. Information management and administration support	3.1	3.6	3.5	3.6	3.5	17.3	CI&AS*
9. Development Coordination and Servicing Agreements	3.1	3.3	3.3	4.0	3.1	16.8	Permitting & Licensing
10. Customer Information Call Centre (Inbound calls)	2.6	3.8	3.8	3.1	3.1	16.4	CI&AS*
11. Business licensing	3.0	3.8	3.1	3.1	3.1	16.1	Permitting & Licensing
12. Sell and renew pet licenses	2.8	3.8	3.1	3.1	3.1	15.9	Animal Control Services
13. Parking Enforcement Services	2.8	3.5	3.0	3.1	3.0	15.4	Complaints & Investigations
14. Euthanise unclaimed/unwanted animals	3.3	3.0	3.1	2.8	2.6	14.8	Animal Control Services
15. Compliance certificates/encroachments/curb crossings	2.3	3.3	2.6	3.3	3.3	14.8	Permitting & Licensing
16. Search for and contact pet owners	1.8	3.6	3.1	3.1	3.1	14.7	Animal Control Services
17. Transfer animals to Edmonton Humane Society	2.0	3.6	2.8	3.0	3.1	14.5	Animal Control Services
18. Ancillary Enforcement Services	3.0	2.8	3.6	3.0	2.1	14.5	Complaints & Investigations
19. Taxis and Limousines	3.0	3.0	2.8	2.8	2.8	14.4	Permitting & Licensing
20. Collect fines related to stray pets and nuisance pets	2.8	3.6	2.1	2.3	3.1	13.9	Animal Control Services
21. Operate lost and found phone-in service	1.0	3.0	2.1	3.1	3.0	12.2	Animal Control Services
22. Provide citizens with traps for cats and pest wildlife	1.8	3.6	1.8	2.5	2.5	12.2	Animal Control Services
23. Pick up stray pets from Emergency Veterinary Clinic and Edmonton Humane Society	2.0	3.1	2.8	2.1	2.0	12.0	Animal Control Services
24. Manage web page to assist owners looking for pets	1.0	2.8	2.6	2.8	2.6	11.8	Animal Control Services
25. Personal Services Bylaw	3.0	2.1	2.6	2.0	2.0	11.7	Permitting & Licensing
26. Pick up dead pets/wildlife from roadways/public lands	2.0	2.1	2.3	2.3	2.0	10.7	Animal Control Services
27. Environmental Assessments	1.8	2.1	2.0	2.8	2.0	10.7	Complaints & Investigations

Criteria scoring: 4 = high importance, 3 = medium importance, 2 = low importance, and 1 = minimal importance

* CI&AS = Customer Information & Advisory Services