



# T.I.P.S.\* Hotline

\*Taking Improvement and Performance Seriously

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## 2011 Annual Report

Annual Report of contacts received (in aggregate form) during calendar year 2011 by the Office of the Auditor General T.I.P.S. Hotline.

## **T.I.P.S Hotline 2011 Annual Report**

The Office of the Auditor General (OAG) launched a confidential phone line to act as an independent point of contact, augmenting other reporting mechanisms for the organization and its employees. The OAG is pleased citizens have also been using the T.I.P.S. Hotline as a contact point to raise concerns in advance of its official public launch occurring within a few weeks.

The T.I.P.S. Hotline is not intended to replace normal business processes already established by HRM to address current or ongoing issues of an operational nature, but rather to capture and evaluate concerns or complaints of potential inefficiencies (waste) or fraud (potentially illegal/irregular behaviour) involving HRM resources.

During its first full year of operation, the T.I.P.S. Hotline received 71 contacts relating to a variety of concerns, potentially involving HRM business units as well as a number of agencies, boards and commissions (ABCs). In some cases, the concern involved multiple business units.

## **Every Complaint Received is Reviewed**

Every complaint received by the Office of the Auditor General is reviewed by the OAG and is dealt with in a variety of ways. Complaints are initially screened by staff in the Office of the Auditor General and considered for further action based on the information provided. With most complaints, preliminary inquiries are conducted to determine whether the allegation appears to have merit and/or to obtain additional information which might warrant further action.

Callers may remain anonymous but are encouraged to leave contact information (which is held in strict confidence) should the issue require further clarification. In a number of cases where information provided by the complainant had insufficient detail and no contact information was provided, further follow-up was not possible.

## **Disposition of Complaints**

Complaints received by the OAG may be administered in one of the following ways:

- No action (based on preliminary inquiries)
- No action (based on insufficient detail and no contact information provided)
- No action (complaint outside of responsibility area of OAG)
- File opened and formal review or examination undertaken by OAG with various possible outcomes
- Referral to and follow-up with business unit(s)
- Referral to and follow-up with ABCs (agencies, boards and commissions)
- Referral to outside agency/agencies

## Opened Files

Each opened file is managed until it has been resolved. In the case where a review or examination is undertaken (based on preliminary findings), sufficient and appropriate information/evidence is gathered to support the OAG conclusion. In some cases, the determination of the complaint is such that the available information does not support a conclusive finding and the file is resolved as unsubstantiated. (This does not mean the complaint may not have merit, only there was insufficient evidence available.) However, given the nature of the complaint, it may be included in the work plan of the Auditor General as an emerging issue and/or recommendations made to HRM Management to highlight the issues or risks which could continue to be of concern.

In those cases where a file was opened and the OAG examination upheld the allegation, the complaint was considered substantiated. Not all substantiated findings reflect wrongdoing or wastefulness on the part of an employee. A substantiated finding may simply reflect poor policy design or the improper application of a business process. The complaint may also involve the actions of vendors and/or other members of the public.

Sixteen of the 71 concerns received in the Office of the Auditor General gave rise to an opened file and examination, which may have resulted in the concern being included in the work plan of the Auditor General as an emerging issue, recommendations being made to HRM Management and/or referral to outside agencies such as the Office of the Ombudsman, for example.

## Summary Tables

The tables which follow provide aggregate information regarding the type of complaints (and disposition) received during calendar year 2011.

**Table 1: Summary of Complaints Received** provides the numerical breakdown of calls received and in which business unit responsibility most likely resided at the time of the call. For the most part, business unit information is presented prior to the recent re-organization of HRM functions which occurred in October 2011, except for Metro Transit which we have chosen to report separately from Transportation and Public Works, where it originally resided. For further clarity, the Chief Administrative Office business unit includes the offices of the CAO, the DCAO, Councillors' Support Office, the Mayor and External and Corporate Affairs.

**Table 2: Calls Received by Nature of Complaint** summarizes in general terms the types of complaints received by business unit. The 'Complaint Category' provides a succinct explanation as to the nature of the complaint, while maintaining confidentiality and privacy.

**Table 3: Disposition of Calls by Audit Work Plan Category** categorizes each complaint by the audit work plan descriptions used by the OAG and the general disposition of the complaint. Audit work descriptions are divided into four categories (see below) - two of which refer to

common forms of review work undertaken by the Office of the Auditor General (compliance and value for money). The final two categories are self-explanatory (illegal and out of scope). Some complaints received may be related to more than one category; in those cases, the complaint has been included in the predominate category.

**Compliance** - an allegation someone may not have acted in compliance with a bylaw, policy or business practice. This may include complaints regarding conflict of interest, non-adherence to stated business practices/policies (i.e. procurement) or disregard for the safeguarding of assets.

**Value for Money** - an allegation someone may have acted wastefully or misused HRM assets. This may include complaints of excessive spending, poor customer service and inappropriate use of HRM assets, etc. (for example, use of HRM vehicles for personal use, too many employees on a job site, etc.).

**Illegal Activity** – an allegation someone may have acted contrary to the Criminal Code.

**Out of Scope** – an allegation pertaining to the responsibility of another jurisdiction such as the Province of Nova Scotia or the Government of Canada.

**Table 4: Status of Complaints as of December 31, 2011** indicates whether or not the complaint was substantiated, unsubstantiated or if a conclusion is pending.

|                   |
|-------------------|
| <b>Conclusion</b> |
|-------------------|

In its first year of operation, when promotion of the T.I.P.S. Hotline was internally focussed, 34 calls (48% of calls received) through the T.I.P.S. Hotline were closed due to insufficient information or complaints related to other governments or agencies outside of the OAG's area of responsibility. In these cases where possible, callers were advised to contact relevant agencies. Of the remaining complaints, 16 (23%) were closed after a preliminary inquiry and 17 files (24%) resulted in additional work by the Office of the Auditor General which found, in 11 of the 17, (65%) the complainant had a valid concern. Currently, 6 open files remain unresolved due to a variety of reasons. These complaints will be carried forward into the new calendar year and their disposition will be reported in 2012.

**Table 1: Summary of Complaints Received**

| <b>Business Unit or Agency, Board or Commission</b> | <b>Number of Complaints</b> | <b>Business Unit or Agency, Board or Commission</b> | <b>Number of Complaints</b> |
|---|-----------------------------|---|-----------------------------|
| Human Resources                                     | 1                           | Finance   | 7                           |
| Agencies, Boards and Commissions                    | 4                           | Fire and Emergency Services                         | 4                           |
| Business Planning and Information Management        | 2                           | Infrastructure and Asset Management                 | 5                           |
| Chief Administrative Office                         | 11                          | Metro Transit                                       | 3                           |
| Legal Services                                      | 1                           | Police Services                                     | 1                           |
| Community Development                               | 8                           | Transportation and Public Works                     | 21                          |
| Multiple Business Units                             | 3                           | <b>Total</b>  | <b>71</b>                   |

**Table 2: Calls Received by Nature of Complaint**

| <b>Business Unit</b>                       | <b>Conflict of Interest</b> | <b>Contract Management</b> | <b>Member of Council's Conduct</b> | <b>Customer Service</b> | <b>Staff Conduct</b> | <b>Hiring Practices</b> | <b>Misuse of HRM Resources</b> | <b>Organizational Structure</b> | <b>Procurement Practices</b> | <b>Out of Scope</b> | <b>Total</b> |
|--|-----------------------------|----------------------------|------------------------------------|-------------------------|----------------------|-------------------------|--------------------------------|---------------------------------|------------------------------|---------------------|--------------|
| Human Resources                            | 1                           |                            |                                    |                         |                      |                         |                                |                                 |                              |                     | 1            |
| Agencies, Boards & Commissions             |                             |                            |                                    |                         | 1                    |                         | 2                              |                                 |                              | 1                   | 4            |
| Business Planning & Information Management |                             |                            |                                    |                         | 1                    |                         | 1                              |                                 |                              |                     | 2            |
| Chief Administrative Office                |                             |                            | 4                                  |                         | 1                    |                         | 6                              |                                 |                              |                     | 11           |
| Legal Services                             |                             |                            |                                    |                         |                      |                         | 1                              |                                 |                              |                     | 1            |
| Community Development                      | 1                           |                            |                                    | 1                       | 4                    |                         | 2                              |                                 |                              |                     | 8            |
| Finance                                    |                             |                            |                                    |                         | 1                    |                         | 1                              |                                 | 5                            |                     | 7            |
| Fire & Emergency Services                  |                             |                            |                                    |                         | 2                    |                         | 1                              |                                 |                              | 1                   | 4            |
| Infrastructure & Asset Management          | 1                           |                            | 1                                  | 1                       | 1                    |                         | 1                              |                                 |                              |                     | 5            |

**Table 2: Calls Received by Nature of Complaint - continued**

| <b>Business Unit</b>          | <b>Conflict of Interest</b> | <b>Contract Management</b> | <b>Member of Council's Conduct</b> | <b>Customer Service</b> | <b>Staff Conduct</b> | <b>Hiring Practices</b> | <b>Misuse of HRM Resources</b> | <b>Organizational Structure</b> | <b>Procurement Practices</b> | <b>Out of Scope</b> | <b>Total</b> |
|-------------------------------|-----------------------------|----------------------------|------------------------------------|-------------------------|----------------------|-------------------------|--------------------------------|---------------------------------|------------------------------|---------------------|--------------|
| Metro Transit                 |                             |                            |                                    |                         | 3                    |                         |                                |                                 |                              |                     | 3            |
| Police Services               |                             |                            |                                    |                         |                      |                         | 1                              |                                 |                              |                     | 1            |
| Transportation & Public Works |                             | 2                          |                                    |                         | 3                    | 3                       | 8                              | 3                               | 2                            |                     | 21           |
| Multiple Business Units       |                             |                            |                                    | 1                       |                      |                         | 1                              |                                 |                              | 1                   | 3            |
| <b>Total</b>                  | <b>3</b>                    | <b>2</b>                   | <b>5</b>                           | <b>3</b>                | <b>17</b>            | <b>3</b>                | <b>25</b>                      | <b>3</b>                        | <b>7</b>                     | <b>3</b>            | <b>71</b>    |

**Table 3: Disposition of Calls by Audit Work Plan Category as of December 31, 2011**

| <b>Audit Work Category</b> | <b>Closed after Preliminary Inquiry</b> | <b>Closed - Referred to Business Unit</b> | <b>Closed - Complaint outside of OAG Scope</b> | <b>Closed - Insufficient Information</b> | <b>File Opened</b> | <b>Total</b> |
|----------------------------|---|---|--|--|--------------------|--------------|
| Compliance                 | 9                                       | 1   | 3  | 9  | 10                 | 32           |
| Potential Illegal Activity | 1                                       | 1   |  |  | 3                  | 5            |
| Value for Money            | 6                                       | 2   | 2  | 20                                       | 4                  | 34           |
| <b>Total</b>               | <b>16</b>                               | <b>4</b>                                  | <b>5</b>                                       | <b>29</b>                                | <b>17</b>          | <b>71</b>    |

**Table 4: Status of Complaints as of December 31, 2011**

| <b>Audit Work Category</b> | <b>Closed Substantiated</b> | <b>Closed</b> | <b>Closed Referred to Business Unit</b> | <b>Pending</b> | <b>Total</b> |
|----------------------------|-----------------------------|---------------|---|----------------|--------------|
| Compliance                 | 5                           | 21            | 1                                       | 5              | 32           |
| Potential Illegal Activity | 3                           | 1             | 1                                       | 0              | 5            |
| Value for Money            | 3                           | 28            | 2                                       | 1              | 34           |
| <b>Total</b>               | <b>11</b>                   | <b>50</b>     | <b>4</b>                                | <b>6</b>       | <b>71</b>    |