

Calgary Fire - Inspections Audit

EXECUTIVE SUMMARY

The City Auditor's Office issued the Calgary Fire Inspections Audit Report to Administration on July 14, 2020. The report includes Administration's response to seven recommendations raised by the City Auditor's Office to Calgary Fire Department's (CFD) Fire Inspections team. Administration accepted all recommendations and has committed to the implementation of action plans no later than December 31, 2021. The City Auditor's Office will track the implementation of these commitments as part of our ongoing follow-up process.

CITY AUDITOR'S RECOMMENDATIONS

1. That Audit Committee receive this report for the Corporate Record; and
2. That Audit Committee recommend that Council receive this report for the Corporate Record.

RECOMMENDATION OF THE AUDIT COMMITTEE, 2020 JULY 23:

That Council receive this report for the Corporate Record.

PREVIOUS COUNCIL DIRECTION / POLICY

Bylaw 30M2004 (as amended) established the position of City Auditor and the powers, duties and functions of the position. Under the City Auditor's Office Charter, the City Auditor presents an annual risk-based audit plan to Audit Committee for approval. The City Auditor's Office 2019/2020 Annual Audit Plan was approved on September 18, 2018. The City Auditor is accountable to Council and subject to the oversight of Audit Committee under Bylaw 48M2012 (as amended).

BACKGROUND

This audit was undertaken as part of the approved City Auditor's Office 2019/2020 Annual Audit plan due to the importance of Fire Inspections and Enforcement in supporting Council's priority of A City of Safe & Inspiring Neighbourhoods by preventing fires and saving lives. The objective of this audit was to assess the effectiveness of the Risk-Based Inspection (RBI) Program in mitigating the fire safety risk associated with higher-risk buildings.

CFD's Fire Inspections team perform compliance inspections to ensure properties meet the requirements of the Alberta Fire Code.

CFD identified that fire risk in Calgary is increasing and communicated to Council that they would like to respond through a new model, the Risk-Based Inspection (RBI) Program and Apartment Building Compliance Program (ABCP). These were to be piloted in the 2019-2022 One Calgary Service Plans and Budgets cycle. The ABCP would have required upgrades to pre-1974 apartment buildings, which were not built to a uniform fire code, to improve fire safety. However, as the province withdrew the 1996 fire code ruling, the ABCP upgrades relied on, it did not proceed. Pre-1974 apartment buildings will continue to be part of the RBI Program.

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The RBI Program is currently in a pilot phase and proactively inspects higher-risk buildings based upon its occupancy classification. In 2020, Fire Inspections started a project to move the RBI Program to a dynamic model that will consider more factors to identify and prioritize RBI. The RBI Program is in addition to CFD's existing request and complaint-based inspection model, which is provincially accepted and documented in CFD's Quality Management Plan.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

RBI pilot was assessed as a positive step towards mitigating the increased risks associated with high-risk occupancies for the public. The audit determined greater focus and effort are required to ensure the program effectively addresses public safety.

For all inspection types, Fire Inspections understands some code changes have restricted the ability of Safety Codes Officers to require building upgrades to mitigate fire safety risk. A formal process is not in place to assess and communicate these regulatory risk exposures. Working within these regulatory constraints, Fire Inspections successfully targeted a high-risk occupancy classification and resolved significant violations demonstrating the value of the RBI Program in improving fire safety. The audit identified a greater number of RBI could have been completed had Fire Inspections' ability to assign Safety Codes Officers to RBI not been impacted by Quality Management Plan responsibilities, position vacancies and absences. Fire Inspections also need to improve the identification and prioritization of high-risk buildings (beyond occupancy classification). Fire Inspections has already initiated a project to move to a dynamic framework, which will allow more precise determination of high-risk.

Our three highest priority recommendations, discussed in greater detail within the attached report, focus on the areas of managing regulatory risk and increasing the number of RBI completed. Two recommendations focus on cost effective controls to manage model risk, for incorporation into the project to develop the dynamic inspection model. A final two recommendations were viewed as being readily implementable in the current pilot to mitigate the risk of accidentally missing an inspection.

Stakeholder Engagement, Research and Communication

This audit was conducted with the Fire Inspections team acting as the principal audit contact within Administration.

Strategic Alignment

Audit reports assist Council in its oversight of the City Manager's administration and accountability for stewardship over public funds and achievement on value for money in City operations.

Social, Environmental, Economic (External)

Not applicable.

Financial Capacity

Current and Future Operating Budget

Not applicable.

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Current and Future Capital Budget

Not applicable.

Risk Assessment

The activities of the City Auditor's Office serve to promote accountability, mitigate risk, and support an effective governance structure.

This audit was included in our 2019/2020 Annual Audit Plan due to the importance of the Fire Inspections team in supporting Council's priority of A City of Safe & Inspiring Neighbourhoods by preventing fires and saving lives.

REASONS FOR RECOMMENDATIONS

Bylaw 48M2012 (as amended) states: "Audit Committee receives directly from the City Auditor any individual audit report and forwards these to Council for information."

ATTACHMENT

1. Calgary Fire - Inspections Audit Report
2. Calgary Fire - Inspections Audit Presentation Slides