



# CITY OF VANCOUVER INTERNAL AUDIT REPORT City Protective Services Process Audit

**Distribution:**

Audit Committee	<i>Nick Kassam – General Manager, Real Estate &amp; Facilities Management</i>
City Leadership Team	<i>Lisa Prescott – Director, Strategic Operations Planning &amp; Program Management</i>
KPMG	<i>Greg Conlan – Associate Director, City Protective Services</i>

**EXECUTIVE SUMMARY****21 April 2020**

The purpose of this audit is to provide reasonable independent assurance that the City Protective Services' (CPS) mandate and business processes are adequate, effective and management's goals are met.

In general, operations relating to CPS require improvement. Continued effort should be made to align CPS functions and programs across all City departments and business units to identify the true costs of providing security services. There is still analysis to be done to right-size and optimize the security expenditures across the City ensuring substantive return on the investment and value for money. The new CPS structure increased City-wide professional security oversight. Integration of all City staff in protective functions remains a work-in-progress.

CPS should continue its effort in improving City-wide protective services. Where not practical to centralize, CPS as the subject matter expert should assist in establishing security/protection standards and guidelines for departments. At the time this report is written, the Park Board Operation Level Agreement and Fire Safety Memorandum of Understanding have yet to be concluded and signed.

The more significant findings and recommendations are:

**E.1 Formally adopt a standardized, consolidated and integrated Life and Fire Safety Program**

Fire safety deficiencies at City sites identified by the City Protective Services Fire Advisory Team must be addressed by departments responsible for those premises. Non-compliances are to be reported to departmental General Managers for action. CPS needs to obtain clarity on its role/authority to enable it to effectively discharge this responsibility.

**E.2 Reassess how to implement an integrated City-wide Protective Service Delivery Model**

Continue to reevaluate and align CPS functions and programs across the City by preparing a current costs/benefits analysis of implementing a City-wide Security Financial and Operational Model and present the results to the City Leadership Team for deliberation and further action.

**E.3 Finalize and Implement Outstanding Operating Level Agreements (OLAs)**

Finalize and implement the OLAs with the Park Board and Engineering to achieve the operational alignment, efficiency and projected cost savings. Also, establish OLAs for CPS functions for other departments.

**E.4 Maximize utilization of Subject Matter Experts (SMEs) to strengthen security systems governance**

Consult with all stakeholders on CCTV ownership, other security systems, and monitoring devices; present findings to the City Manager with the objective to establish a City-wide (corporate) security systems program and related policy to assist in their governance and management.

  
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Tony Hui, CPA, CA, CRMA  
Chief of Internal Audit  
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King Wan, MBA, CPA, CMA, CIA, CRMA  
Manager, Internal Audit Projects

## A. BACKGROUND

### CPS Program Review and Current State Assessment

Between 2016 and 2018, the City reviewed its physical security process and completed a current-state assessment. It found that the City faced a number of unaddressed risks (e.g. no fire safety program; lack of coordination etc.). The City Protective Service (CPS) program review team identified the state of security at the City as:

- Lacking professional security oversight, standardization and integration for staff across the City;
- Lacking a clear understanding of what services are available and how to request them;
- Lacking customer satisfaction;
- Having no clear ownership of security assets resulting in a lack of life cycle management;
- Needing to develop a risk based approach; and
- Lacking of consistency in services provided to business units.

### 2018 Security Services Review Project (SSRP)

CPS was established as a result of the 2018 Security Services Review Project (SSRP). Three objectives of SSRP were to produce: 1) a CPS organizational structure, 2) a preferred service delivery methodology, and 3) a CPS financial model.

A CPS organization structure was developed and approved; a core service delivery model established; and an internal financial model was completed. The model was created to integrate, standardize and consolidate disassociated security functions and programs across the City. CPS now operates and focuses on four specific full scope protective services built around the following core service areas:

1. Security protection and operation;
2. Fire safety and operational response;
3. Security systems and technology design; and
4. Threat management and investigation.

CPS' protective service is now integrated with most City departments except the Vancouver Public Library (VPL), the Arts, Culture, and Community Services (ACCS) department, and the Vancouver Police Department (VPD). Plans are underway to align City smaller departments such as DBL, Legal, REFM and PDS under CPS oversight. The process of service integration with the Park Board and Engineering is ongoing.

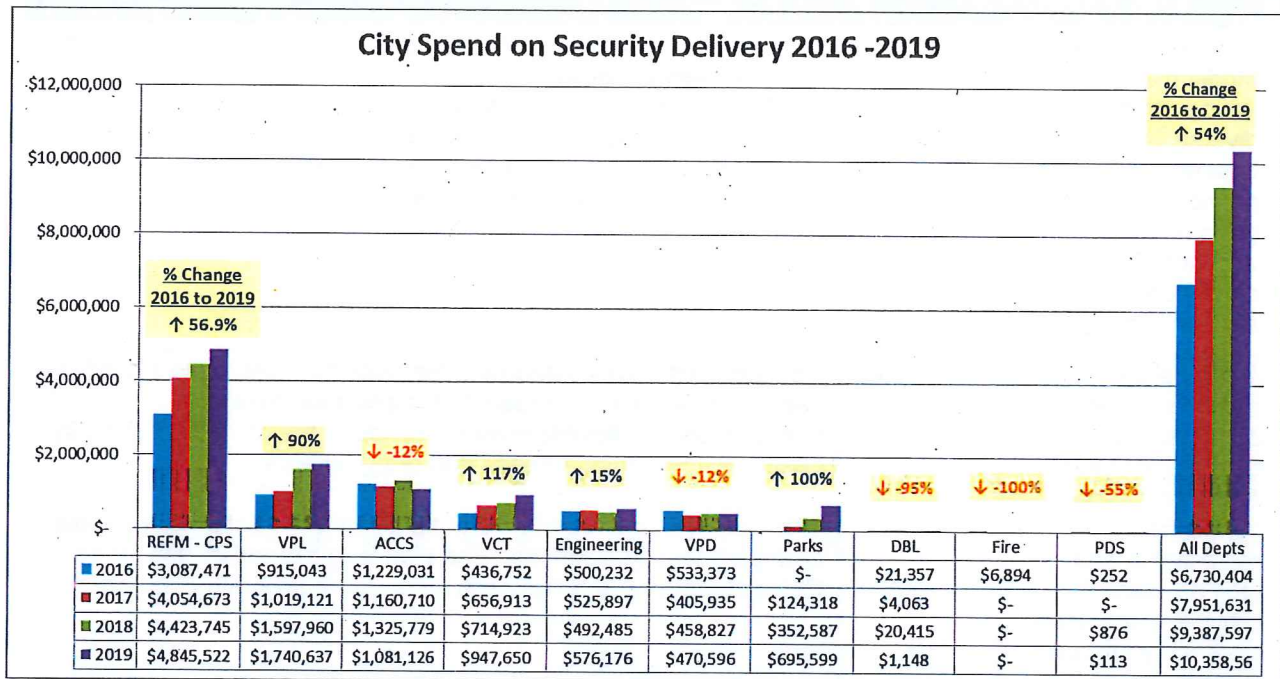
SSRP's three primary objectives were set up to protect the City's interests, support regulatory responsibilities, and keep City elected officials, staff and the public at civic facilities safe. The following table summarizes the current status and outcomes of Security Review deliverables:



Deliverable	Status	Internal Audit Comments
a) A Service Delivery Model that meets the needs of the diverse City business units and provides clear governance, accountability, consistency in services provided	Completed	<p>CPS focuses its programs to offer protective services built around four core service areas:</p> <ol style="list-style-type: none"> <li>1. Security protection &amp; operation</li> <li>2. Fire safety &amp; operational response</li> <li>3. Security systems &amp; technology design</li> <li>4. Threat management &amp; investigation</li> </ol>
b) A standard of practices, strategy documents and Operational Level Agreements that define the relationship and provide clarity for providers and users of security services	Completed	<p>An Operation-Level Agreement template that tailored to individual departments has been created. It is designed to offer a standardized yet flexible level of service to match each of the City business units' unique needs and requirements.</p> <p>The OLA has been used as a template in the creation of a couple of department agreements. The plan is to expand its use for all City departments and business units as the program matures.</p>
c) An integrated organizational structure that provides oversight for all departments ensuring adequate security service for all staff and patrons	In Progress	<p>CPS has developed an integrated organization structure tailored to support a City-wide security and protective service. However, integration of a protective services structure under a centralized model has not yet been achieved. According to CPS, there was a clear mandate and direction from the City Manager's Office, from an update strategy meeting in August 2019 for such integration.</p> <p>CPS indicated that they experienced reluctance to an integrated model for some Business Units because of:</p> <ul style="list-style-type: none"> <li>- perceived uniqueness around need; and</li> <li>- site-based security operations alignment to city program services and operations.</li> </ul> <p>Potential concerns around loss of autonomy and control are also concerns with business units.</p>
<p>d) Developed a value-for-money budget and financial model internally.</p> <p>Enhance efficiency and value-for-money spend on security function by centralizing security functions and expertise.</p>	In Progress	<p>CPS has developed a budget that also focused on value-for-money for its operation and it includes:</p> <ul style="list-style-type: none"> <li>- all City security contracts except VPL, VPD, VCT, ACCS (and smaller departments at the time of writing); and</li> <li>- is maintained by REFM staff and subject to period based regular Financial Services accountability budget review and reporting.</li> </ul> <p>To enhance efficiency and value-for-money spend, certain security functions and expertise should be centralized. The nature of the security discipline is such that in many areas it has become a specialized function requiring subject matter experts. If centralization is not achieved, the City is not maximizing the benefits of activities such as threat risk assessment, intelligence, procedures standardization and staff deployment etc. Opportunities related to operational efficiencies and value and cost savings would not be realized.</p>



## CPS and Departmental Security Spend

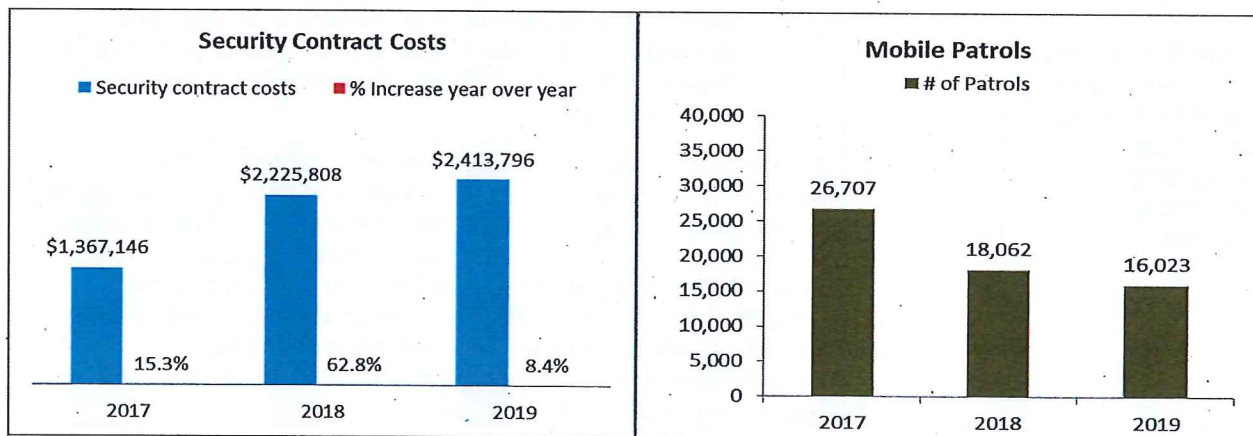


Note 1: 2019 VPL security spend contains an estimated 2% increase from 2018 to the staffing costs as the actual numbers were not available at the time this report is prepared.

Note 2: A fire safety team of one regular full-time manager, two fire safety advisors and a sustainment model was approved, confirmed and permanently staffed in 2020 under CPS to facilitate regulatory requirements of City sites for compliance with all fire safety related functions.

The increase in REFM-CPS expenses can be explained by: 1) its absorption of security contract costs that were in other department's budget previously. Between 2017 and 2018, the first year of transition, saw an increase of \$ 858K (63%) and between 2018 and 2019 by \$ 188K (0.08%) in CPS' contract security cost and; 2) approved CPS FTE increased from 4 (2016) to 10 (2019) and 8 (2020)<sup>1</sup> exempt staff while permanent union staff remained at 11. Added staff was represented by the creation of the Fire Safety Team, investigation, and management functions. Between 2017 and 2019 salaries and benefits increased by roughly \$ 650K. All the above also included a living wage cost adjustment.

Hours for both CPS temporary (contract) security staff and mobile patrol decreased over the period between 2017 and 2019:



<sup>1</sup> Staff reduction due to resignations and not backfilling in 2020 to date.

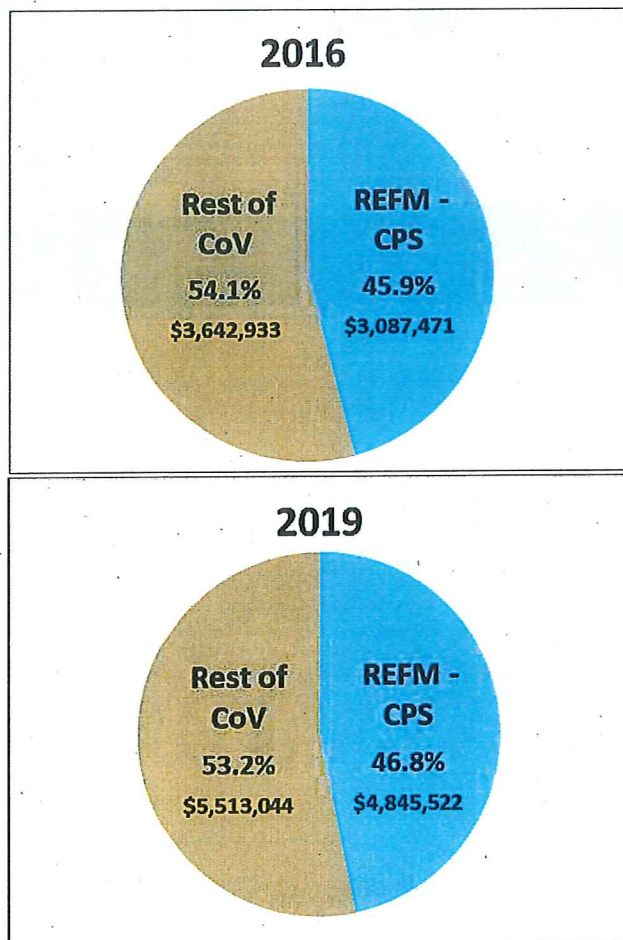
CPS indicated that it has not increased service volumes within the security officer category but in actual fact uses less physical security resources today than prior to the creation of CPS.

#### CPS and Rest of City Security Spends

This pie chart below shows the actual security spend in 2016 and the corresponding spend in 2019. The CPS' increase of \$1.7M is due to consolidated budgeting, living wage, creation of CPS' four core services model and new programs to reduce risk. CPS has also taken over most of the security contracts for all City departments in 2017 except for VCT, VPD and VPL.

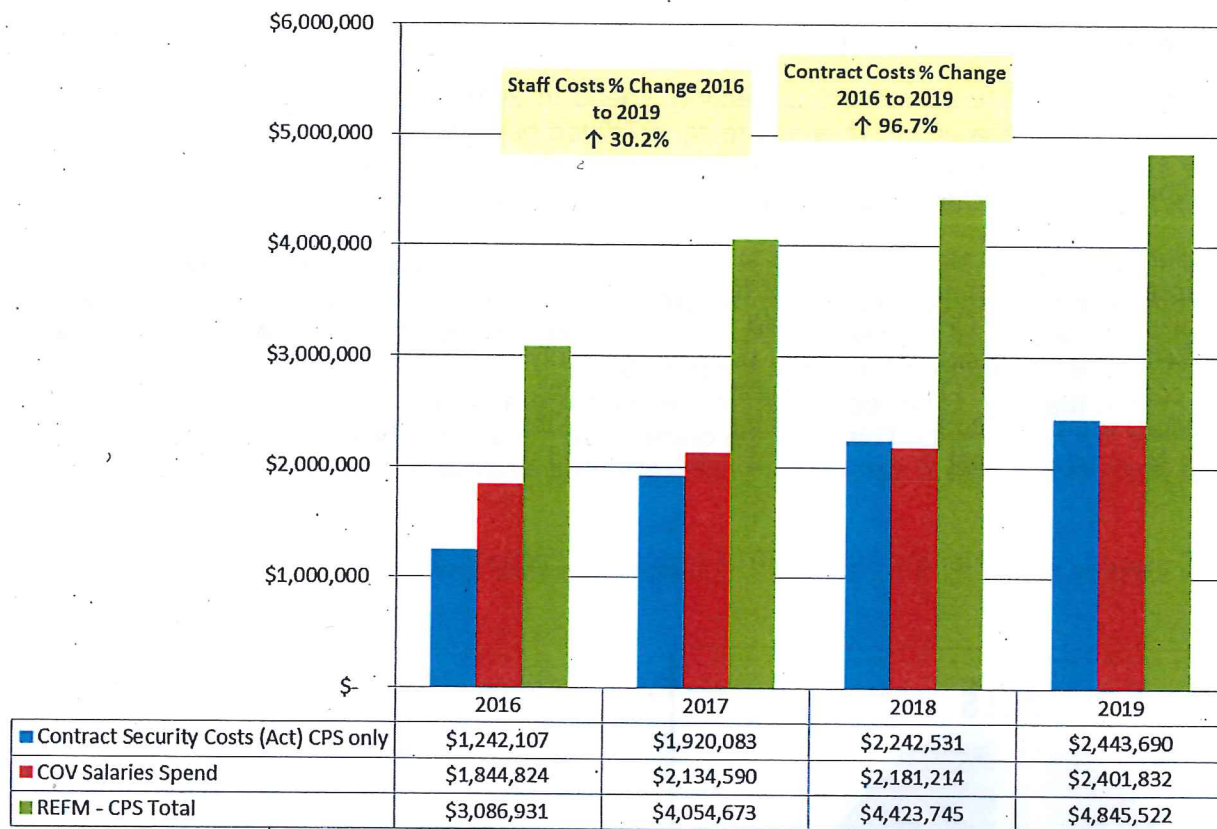
The challenge is in the security spending and costs that are outside CPS' purview and control which represents 53.2 percent (2019) of the entire spend across the City. The security spend in areas not controlled by CPS grew \$1.9M, or 49 percent, from \$3.6M to \$5.5M during the same period. CPS runs an approved security program but only controls 47 percent of the total \$10M security cost in the City. Other departments are spending as much on security as CPS but their core services are not security. This begs the question on the entire City security service delivery on how best to provide it cost effectively and efficiently, and whether to centralize or keep the status quo.

The CPS security spend for the 2016 – 2019 period is summarized below:





## CPS Expenditures 2016 - 2019



(Note: Contract Security costs were brought under CPS' budget in 2017 except VPL, ACCS and VPD). However, some departments, such as the Park Board, can still purchase additional security guard services as required over the amount under CPS' budget.) Contract Security Costs above include alarm monitoring, system repairs and locksmith costs.

### VPL Open to Participate in Shared Security Arrangements

Discussions with senior staff at the VPL indicated they strongly feel that because of VPL's accountability framework to their own Board that the current separate and independent security set up at VPL sites is the best security arrangement. However, VPL would benefit by conducting a core service review to ascertain the effectiveness of their security program. It is understood that VPL is open to participate in joint meetings, special events security planning and investigations where it can utilize the expertise available from CPS to assist in their security work. A reciprocal service arrangement may be feasible for CPS depending on the structure and mandate established.

### OLA with Park Board Nearing Finalization

Vancouver Parks and Recreation has been working with CPS to finalize an Operating Level Agreement. This OLA has been ongoing since 2019 and should be concluded as soon as possible to capture the potential efficiency gains.

### Formalize Project Charter with Engineering

A project charter has been created between CPS and Engineering to explore where and how CPS can work with Engineering on security arrangements. It is anticipated that the signing of the Engineering Project Charter will soon take place when the project charter is finalized. The charter is designed to set the stage for the integration of CPS with Engineering under a defined and tailored OLA not unlike what has been established for Park Board.

#### Working Group with ACCS and VCT underway

ACCS and CPS established a working group to create a service model that could work for both organizations. The model was supposed to be presented to the REFM and ACCS GMs and eventually to CMO. The current status is that the discussion has broken off without a date when this might resume.

#### Work Integration and Alignment Continue

Continued effort should be made to align CPS functions and programs across all City departments and business units to identify the true costs of providing security services. There is still analysis to be done to right-size and optimize the security expenditures across the City ensuring substantive return on the investment and value for money.

CPS is continuing its effort to improve City-wide protective services. Where not practical to integrate, CPS as the subject matter expert offers security and protection standards information as well as guidelines to departments for their consideration. This process enhances the opportunity to create a centre for excellence across the City for identifying, assessing and managing the myriad of security and safety risks which impact the city at an increasingly alarming rate.

### **A. SCOPE**

The purpose of this audit is to provide reasonable independent assurance that the City Protective Services' mandate and business processes are adequate, effective and management's goals are met.

Our work included:

- Review of security coverage of City sites and partial City-run premises and measurement criteria.
- Survey of City departments to determine gaps as noted by clients of the CPS.
- Discussed with departments on separate security operations and integrated security service models.
- Examine the level of protection and adequacy of what is the acceptable/ expected level of protective services to be provided. Determine if there are duplications.
- Compare CPS work to industry standards.
- Examine whether VFRS is better suited to perform fire safety inspection for City sites.
- Discuss with CM/Deputy CM the level of support and mandate given. Assess whether the intent of the authorization is being carried out.

The audit is not designed to detect fraud. Accordingly there should be no such reliance.

### **C. CONCLUSION**

In general, operations relating to CPS require improvement. Continued effort should be made to align CPS functions and programs across all City departments and business units to identify the true costs of providing security services. There is still analysis to be done to right-size and optimize the security expenditures across the City ensuring substantive return on the investment and value for money. The new CPS structure increased City-wide professional security oversight. Integration of all City staff in protective functions remains a work-in-progress. CPS should continue its effort in improving City-wide protective services. Where not practical to centralize, CPS as the subject matter expert should assist in establishing security/protection standards and guidelines for departments. At the time this report is written, the Park Board Operation Level Agreement and Fire Safety Memorandum of Understanding have yet to be concluded and signed.

Findings and recommendations have been discussed with appropriate management and responses incorporated in this report.

#### **D. RISK ANALYSIS**

The potential significant risks if the intended Security Services Program Review objectives were not achieved and controls not in place are:

- Public and staff maybe at risk due to inadequate and ineffective security coverage and safety at City premises;
- Intended cost savings from integration of security service may not be realized;
- Ability to identify and reduce risks to the City not fully attained;
- Inefficiency due to duplicated functions in departments and CPS;
- Security services and delivery continue to be fragmented including process for resolving client issues;
- Development of metrics to drive performance and success measurement not standardized;
- Financial accountability and innovations are not met.

#### **E. AUDIT ISSUES, RECOMMENDATIONS AND MANAGEMENT RESPONSES**

##### **E.1 Formally adopt a standardized, consolidated and integrated Life and Fire Safety Program**

###### Regulatory Requirement

BC Fire Code Division C, Part 2, section 2.2.1.1 (1) states that owner is liable/responsible for fire safety at their properties. The 2018 current-state assessment identified a number of non-compliances at several City sites.

###### Life and Fire Safety Team

A fire safety team of one regular full-time manager, two fire safety advisors and a sustainment model was approved, confirmed and permanently staffed in 2020 under CPS to facilitate regulatory requirements of City sites for compliance with all fire safety related functions.

###### Pending Service Delivery Memorandum of Understanding

CPS has been in discussion with Facilities Operations, Organization Health & Safety and Vancouver Fire Rescue Services to review fire safety related responsibilities. A draft Memorandum of Understanding (MOU) for services delivery was prepared in June 2018 outlining various groups' respective fire safety tasks/activities.

Review of CPS identified the following:



1. Fire Safety MOU not completed

The Service Delivery Matrix/Responsibility has not been signed off by all parties and it has been over 1.5 years. This should be finalized as soon as possible.

2. Maintain currency of comprehensive asset record of City owned/operated facilities

CPS utilizes a City owned/operated/run sites list that identifies where fire safety functions are required. CPS should continue to work from this list while ensuring that it is maintained for accuracy. This would require confirming with other City departments that all City sites are included for inspection regularly.

3. Improve staff awareness of fire safety duties at City sites

The Fire Safety Advisors (FSAs) reported that staff at some locations visited were not aware of their responsibilities with respect to fire safety. Effective communication of fire safety and training coupled with corporate policy is needed to ensure site staff are aware of work safety requirements and practices.

4. Fire inspections mandate

CPS fire inspection program has been on target and 300 plus sites have now been inspected. CPS staff indicated that there has been resistance from some site staff but it is also a resourcing and prioritization issue. Some site staff questioned the Fire Safety Team's authority to enforce the deficiencies identified by the team, even though they were only recommendations. Clarity of CPS' role/authority will assist CPS to effectively discharge this responsibility.

5. Establish / formalize escalation process for fire safety inspection deficiencies

Some fire safety inspection letters issued by CPS are not followed-up and recommendations to address deficiencies not carried out by departments. CPS should summarize the inspection results and send them to the respective department General Managers concerned for their review and action. Roles, responsibilities and layers of accountability should also be clarified and direction obtained from senior management as to who is responsible and accountable for fire safety.

6. Review prioritization of fire safety plans

Fire Safety Plans for priority sites need to be reviewed as the framework for high or low risk sites may not have considered all relevant factors, and the risk assessment methodology has not been established. Certain sites that are rated low risk due to normal usage may, in fact, be at higher risk. For example, facilities where only few staff work on site regularly but when a major event occurs might have hundreds of people in attendance.

7. Clarify leased properties fire safety responsibilities

For properties that the City leases from other property owners, clarification on owners' and tenants' responsibilities in fire safety prevention should be documented and agreed by all parties. Where appropriate, SLA and associated lease arrangements should define and assign responsibilities in this area.

Fire safety for City staff and patrons is a City responsibility and the City must follow all fire safety rules to ensure compliance with the fire regulations. This provision is an extension of being a property owner and landlord as contained within the BC Fire Code

## **Recommendations**

The Director, Strategic Operations Planning & Program Management in REFM should:

E.1.1 Expedite signing and finalizing the MOU governing the fire safety and operational response to ensure all City premises are operating in a fire safe environment.

E.1.2 Consult and confirm regularly with REFM Facilities and other City departments the accuracy and relevance of City operated sites list where CPS is responsible for all fire safety programs.

E.1.3 Work with City's Internal Communications group on all available media platforms to share with all departments and staff the role of CPS in fire safety compliance functions.

E.1.4 Clarify CPS fire inspection team's mandate and authority with CMO/CLT to conduct fire safety training, fire safety inspections, and to hold site staff accountable for compliance.

E.1.5 Obtain clarification from senior management as to CPS' and department managers' responsibility with respect to enforcement of fire inspection deficiencies.

E.1.6 Working with REFM and site staff to ensure Fire Safety Plans are in place and appropriately categorized for priority sites.

E.1.7 Working with all stakeholders to ensure that all properties leased by the City have documented fire safety security and prevention procedures. Fire safety practices such as fire drills and equipment inspections should be conducted at those locations regularly as required.

The foregoing should be completed by 31 December 2020.

**Management Response:**

Please check one:

☒ Agree with the findings

☐ Disagree with the findings

Please check one:

☒ Agree with the recommendations

☐ Disagree with the recommendations

Management Action Plan:

*The timing and implementation of these recommendations are dependent on 2021 budget approval by City Council in December. The GM of REFM will review options with the Deputy City Manager in the event budget constraints prevent resolution of items, and will update the City's Internal Audit team. If budget is approved, targeted completion of recommendations will be December 2021, not 2020.*

**E.2 Reassess how to implement an integrated City-wide Protective Service Delivery Model**

Security Services Review Project's Preferred Service Delivery Model Objective

One of the Security Services Review Project's objectives was to produce a preferred service delivery methodology/model. By extension, a key activity in achieving this objective is defining authority and governance as this is vital to an integrated City-wide Protective Services delivery.

Limited Ability to Consolidate

CPS has limited ability to consolidate and integrate, as that would require the concurrence of departments concerned, although it has made some progress. At present, there is no commitment on the part of ACCS, VPL or VPD or smaller Departments such as Development Buildings & Licensing and Planning Urban design & Sustainability. to integrate security services within the CPS structure despite overall benefits. The Park Board and Engineering Services are in the process of having their protective and security services delivered by CPS via the development and implementation of Operating Level Agreements. Some benefits of integration include financial savings from staffing, standardized security policy and procedures, City-wide view on security data metrics and trends as well as evidence and risk based decision-making in providing security services. It is also anticipated that the smaller departments will subscribe to the integrated and



consolidated CPS service model. CPS needs the cooperation and acceptance of all City business units to collaborate the costs/benefits of integration and implementation.

#### Current Approach to Integrate is Not Effective

The current approach to integrate protective and security services with other City departments has not been effective. The latest round of talks with ACCS was broken off because without senior management involvement and the willingness of the outlier departments CPS will not be able to achieve this. It would be a decision at the City Leadership Team level to determine whether the integration of all protective and security services under a centralized group is the desired outcome or preference of an alternate model with certain departments retaining their autonomy. This is a governance issue that CPS cannot be expected to accomplish.

#### **Recommendation**

E.2.1 The Director, Strategic Operations Planning & Program Management should:

- prepare the most current costs/benefits of implementing a City-wide Security Financial and Operational Model with departments; and
- present the results of the cost/benefit analysis to the City Leadership Team for deliberation and further action.

This should be completed by 31 December 2020.

#### **Management Response:**

*Please check one:*

☒ Agree with the findings

☐ Disagree with the findings

*Please check one:*

☒ Agree with the recommendations

☐ Disagree with the recommendations

#### **Management Action Plan:**

*REFM re-engaged in further discussions with CMO's office in August 2019 to validate the recommendation to work towards a City-wide security operating model and obtain support to direct GM REFM & GM ACCS to re-engage and work towards a proposal for the implementation of a City-wide integrated model and bring back to CMO in 2020 for review and approval. Due to COVID response and recovery, the redeployment of resources from ACCS and REFM have impeded this work. This work will re-convene in Q1 2021 with support from BPPS.*

#### **E.3 Finalize and implement outstanding Operating Level Agreements (OLAs)**

There are two OLAs that have not been finalized:

- Operating Level Agreement & Integration of Engineering Security Services Agreement – Project Charter: In August 2019 CPS and Engineering developed this working draft. With personnel changes in Engineering, the sponsor's approval has been delayed.
- Park Board OLA: An Operating Level Agreement with the Vancouver Board of Parks and Recreation was created on 27 September 2019. It is in the final stages ready to be signed off.

Finalization and implementation of the Project Charter and OLA should be advanced to achieve the operational alignment, efficiency and projected cost savings.

## Recommendation

E.3.1 The Director, Strategic Operations Planning & Program Management in REFM should formalize and implement the Park Board operating level agreements and Engineering project charter by 31 December 2020.

### Management Response:

Please check one:

☒ Agree with the findings

☐ Disagree with the findings

Please check one:

☒ Agree with the recommendations

☐ Disagree with the recommendations

### Management Action Plan:

*The Park Board operating level agreement was completed in September 2020. The focus of work with Engineering will be on finalizing an operating level agreement, not a project charter, by December 2021.*

## E.4 Maximize utilization of Subject Matter Experts (SMEs) to strengthen security systems management and governance

Some physical security applications are access control and monitoring systems. Access controls can be physical locks, audio alarms, keyscan and access management systems. Monitoring systems are the use of security personnel, alarm monitoring, CCTV and many other devices to observe and track activities. Access control and monitoring systems are important components of any security system.

### Access Control

Access control administration at the City is decentralized with multiple persons having access into the central (controlling) end application which poses a unique risk to the security system architecture. These systems are at varying degrees of operational maturity. A Capital Asset Management Strategy was developed by CPS that covers access management processes for the sole purpose of ensuring consistent and effective management of the security systems across the City. However, it has not been endorsed for City-wide use or integrated at this time.

A City-wide access control approach, as a part of the Capital Asset Management Strategy, would contribute to the standardization, governance, management and, ultimately have a major positive impact on staff and patron safety and security at City premises and protection of City properties.

### Monitoring Systems - CCTVs

CCTVs located at many City facilities are installed, owned and operated by individual departments. The current management of CCTV and security systems is decentralized with no clear stewardship, management or capital replacement strategy in place. At present many CCTV systems have fallen into disrepair.

### CCTV Policy

The only City-wide policy that governs CCTV operation is Policy # AE-003-02 - CCTV Systems. The purpose of this policy ensures that use of CCTVs appropriately respects privacy and complies with the law. Operating departments are required to adhere to this Policy to ensure privacy requirements are observed.

### CCTV Operation and Management



As an unregulated program, City departments have installed non-standard CCTV equipment and there is no budgeting, maintenance and lifecycle management to service them. The acquisition, funding and management of CCTV systems are the responsibilities of the operating departments. To install CCTV, the operating departments are only required to meet criteria in the Privacy Impact Assessment (PIA) administered by the City's Privacy Director, Access to Information & Privacy.

Introducing a consolidated and uniform CCTV and security systems governance, security and maintenance standard will provide effective and efficient life-cycle management and budgeting control for this category of security monitoring system.

### **Recommendation**

~~The GM, REFM Director, Strategic Operations Planning & Program Management in REFM and Associate Director, City Protective Services, should:~~

E.4.1 Revisit the Capital Asset Management Strategy with City senior management (CMO/CLT) to seek their direction of a unified approach to governing and managing these security system assets and technology.

E.4.2 Raise the issue of CCTV ownership in the City with all the stakeholders. The purpose is to present any discussion findings with the stakeholders to the City Manager for an agreement to establish a City-wide (corporate) security and monitoring systems governance policy that will assist all City departments in administering these assets with respect to budgeting, acquisition, maintenance, replacement and life cycle management.

This work should start by 31 December 2020.

### **Management Response:**

*Please check one:*

☒ Agree with the findings

☐ Disagree with the findings

*Please check one:*

☒ Agree with the recommendations

☐ Disagree with the recommendations

### **Management Action Plan:**

*The issue of City-wide governance of security system assets, including CCTV, has been raised with City senior leadership and will be revisited when there is organizational capacity to take this on. Prior to year-end, the GM, REFM will meet with the CMO to discuss approach, funding, resourcing, and timing to undertake this work to address the recommendations.*

### **E.5 Formalize delegated authority for security at City co-located offices**

Many City staff and offices are co-located with other City business units or external tenants. It is often unclear as to which party is responsible for workplace safety and security matters. Ultimately, safety and security issues affect everyone located at the same premises. As there is a segregation of safety and security responsibilities between Human Resources and City Protective Services it is acknowledged that CPS would be most suitable to address the security aspect at these sites.

Designating an overall site security authority with the responsibility of coordinating all security concerns with a Human Resources safety counterpart, would provide clarity and reduce confusion should security or safety incidents occur. This arrangement would give first responders prompt awareness of the situation for timely response. During an emergency, this could save lives and minimize property damage.

## Recommendation

E.5.1 The Director, Strategic Operations Planning & Program Management in REFM and Associate Director, City Protective Services, should work with Human Resources and all stakeholders that are co-located to identify and establish a delegated authority on security matters at these joint locations. This should be initiated as soon as feasible and completed by 31 December 2020.

### Management Response:

Please check one:

☒ Agree with the findings

☐ Disagree with the findings

Please check one:

☐ Agree with the recommendations

☒ Disagree with the recommendations

### Management Action Plan:

*Governance of security matters at co-located sites was analyzed as part of the Security Services Review Project, with recommendations presented to City senior leadership. Direction is needed to implement this recommendation. The GM of REFM will escalate this to the CMO as part of finding E.2 (Q1 2021) to seek direction on governance and partner with HR on policy and process development.*

## E.6 Communicate and implement standardized tracking of security related cost savings

Continued efforts have to be made to align CPS functions and programs across City departments to identify the true costs of providing security services. Having a common cost tracking process and agreement on what the integrated security service covers would give all stakeholders the understanding needed to improve security service delivery in the City. This includes:

### Standardizing the cost tracking methodology

Departments charge their security related expenses to different cost elements in their departmental budget (e.g. lock changes, CCTV installations and related costs, alarm system and keyscan charges). Not using common cost elements on security costs makes tracking difficult and not comparable.

CPS has a clear and easily identifiable cost tracking model to capture all security related expenses. This should be shared with and adopted by other City departments in assigning their security related expenditures. By having common and standard security account codes throughout the City, it will assist departments to pinpoint where these expenses are incurred for better cost control, comparative analysis and management.

## Recommendations

The Director, Strategic Operations Planning & Program Management, Director, Finance Operations and Associate Director, City Protective Services, should:

E.6.1 Work with Financial Planning and Analysis in Financial Services to clarify and communicate to all City departments:

- the methodology and security charges that are being standardized from respective departmental budgets; and
- specific security expenditures that are to be included in the operating department's budget.



E.6.2 Develop a procedure identifying which cost elements are to be used to track security-related expenses so that security costs can be easily and readily extracted. This would provide a true picture of the security expenses incurred throughout the City for monitoring and analysis purposes.

The foregoing should start as soon as possible and be ready for implementation by the 2021 budget cycle.

**Management Response:**

*Please check one:*

☒ Agree with the findings

☐ Disagree with the findings

*Please check one:*

☐ Agree with the recommendations

☒ Disagree with the recommendations

**Management Action Plan:**

*E.6.1 This is not within CPS' mandate. CPS does not have authority to dictate expenditures that are to be included in departmental operating budgets. The implementation of this finding will require the broader policy implementation on governance and centralization of CPS services. Management will incorporate this finding with the work on E2 (Q12021).*

*E.6.2 This has already been completed for the cost centres for which CPS is responsible.*

