

Auditor General Tables Annual Fraud and Waste Hotline Reports

October 27, 2020

Ottawa – Today, Auditor General Ken Hughes tabled his Annual Fraud and Waste Hotline Report (FWHL). There were 224 anonymous reports from employees and the public. This volume is up from 2018's 190.

“Today's reports show that the City of Ottawa maintains a framework that supports a very high level of ethics and integrity,” said Mr. Hughes. “It also gives residents confidence that the City is constantly looking for ways of becoming more effective and efficient.”

Among the results from the investigations in this report:

- Two resignations.
- One retirement, one 20-day suspension without pay and two 5-day suspensions without pay.

Mr. Hughes also tabled three other fraud and waste reports:

Investigation of the Lease Cancellation for 300 Coventry Road

In September 2019, the Office of the Auditor General commenced an investigation into the cancellation of the commercial lease at 300 Coventry Road between the City of Ottawa and Independent Baseball of Ottawa. The investigation found:

- In 2014, the City signed a 10-year 11-month lease with Independent Baseball of Ottawa.
- Staff failed to inform the Municipal Property Assessment Corporation (MPAC) of the commercial lease and there were no property taxes assessed or paid.
- In 2019, with the lease seriously in arrears, the City entered into a repayment agreement with Independent Baseball of Ottawa as they were struggling financially.
- The City entered into Facility Use Agreements in 2019 – with no assurance that the payments could be made.
- Staff intentionally understated the financial difference between the initial lease and the facility agreements.
- Independent Baseball of Ottawa stopped all payments in September 2019.
- There are two recommendations and management agreed with them both.

Review of OC Transpo Bus Maintenance

This review was conducted as a result of a report to the Fraud and Waste Hotline. The review found that:

- Bus maintenance is being well managed regarding the safety of the bus fleet.
- Almost all preventable collisions are due to operator error not mechanical failure.
- There are potential savings if OC Transpo conducts a Cost-Benefit Analysis of its 60-day inspection process.
- There are six recommendations and management agrees with them all. Management says that three have already been implemented.

Review of OC Transpo Driver Training

This review was conducted as a result of a report to the Fraud and Waste Hotline. It assessed OC Transpo driver training related to the safety of bus operations. The review found:

- OC Transpo's training meets all Ontario Ministry of Transportation's (MTO) standards and requirements; and in many instances, exceeds MTO's standards and requirements.
- The delay in the launch of the O Train Line 1 negatively impacted both the training of new recruits and the refresher training of experienced operators.
- Buses and routes are chosen based on seniority – as per the collective agreement. This means that new operators could get more difficult routes and buses (new drivers end up spending 50% of their time driving articulated buses).
- There is inconsistency in the daily evaluations and the application of the curriculum.
- While OC Transpo meets the MTO requirement for 20 hours of drive time, there is no formal approach to aligning drive times to bus type and there are very wide variances in drive times – from 22.25 hours to 64 hours.
- There are 20 recommendations, and management agrees with all of them. Management says that four have already been implemented.

A full copy of the Fraud and Waste Hotline Report – and the three additional reports, are available on the Auditor General's website at ottawa.ca.

News Release



For more information:

Ines Santoro

613-580-9602

oag@ottawa.ca