

WHISTLEBLOWER STUDY

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CONTEXT

- Response to request from AGC
- Not an audit
- A study of whistleblowing practices in comparable jurisdictions
- No comments made or intended regarding the effectiveness of any local government

WHAT IS A WHISTLEBLOWER?

- An individual reporting information they believe reveals activities that are against policy, laws, ethics, safety standards or similar rules and expectations
- Ottawa – “a person who calls attention to a questionable or illicit activity in an attempt to have the activity brought to an end”
- Typically a person from within an organization
- Public sector, can also describe a person external to the organization

CHARACTERISTICS OF EFFECTIVE WHISTLEBLOWING PROCESSES

- The investigative process is independent of management
- Confidentiality is protected
- Grounds for valid complaints are defined
- All valid complaints are investigated
- Established investigation and reporting process

OTTAWA

- Who – Auditor General administers Fraud & Waste Hotline
(Integrity Commissioner for complaints involving elected officials)
- Confidentiality – guaranteed through 3rd party operator
- Grounds – defined in Fraud & Waste policy
- Coverage – internal & external sources, all allegations investigated
- Reporting – Annual Fraud and Waste Hotline report
- 2021 Results – 301 reports,
302 closed, 31 substantiated

TORONTO

- Who – Fraud & Waste Hotline operated by the Auditor General
(Integrity Commissioner for complaints involving elected officials)
- Confidentiality – in accordance with City privacy policies
- Grounds – wrongdoing, waste & fraud defined
- Coverage – public, city staff, anyone doing business with City;
all complaints evaluated
- Reporting – AG Fraud & Waste Hotline annual report

TORONTO (continued)

- 2021 Results – 820 complaints containing 1,200 allegations
743 complaints closed, 11% substantiated in whole or in part
- 2017 – 2021, \$28 million actual losses, \$1 million prevented
- Additional benefits:
 - Deterrence of fraud and wrongdoing
 - Strengthened internal controls
 - Improved policies and procedures
 - Increased operational efficiency
 - Identify trends, address risks, recommendations for improvement, inform OAG workplan

CALGARY

- Who – City Auditor – intake, assessment, investigation, reporting, recommendations
(Integrity Commissioner for complaints involving elected officials)
- Confidentiality – “need to know”
- Grounds – dishonest, unethical, wasteful, improper, public concern or illegal
- Coverage – employees, contractors, suppliers, public;
“all reported concerns received are appropriately reviewed and assessed”
- Reporting – annual report and quarterly investigation summaries
- 2021 Results – 154 reports containing 249 allegations, 30 approved for investigation
33 investigations concluded, 27% sustained, in 44 recommendations

VANCOUVER

- Who – GM Human Resources day-to-day responsibility, overseen by City Manager
- Confidentiality – “need to know”
- Grounds – “misuse of public funds, conflict of interest, abuse of position, manipulation or falsification of data and harm to people or property”
- Coverage – City employees only
- Reporting – annual summary of reports and investigation outcomes required, not done
- 2021 Results – 113 complaints logged

SUMMARY OF OBSERVATIONS

Municipality	Confidential	Grounds Defined	All Complaints to be Investigated	Employee & External	Results Reported	Independent
Ottawa	✓	✓	✓	✓	✓	✓
Toronto	✓	✓	✓	✓	✓	✓
Calgary	✓	✓	✓	✓	✓	✓
Vancouver	✓	✓	✓	x	x	x

RECOMMENDATIONS

1. Council should direct City staff to revise the Whistleblower policy so that it addresses complaints coming from sources external to the City.
2. Council should consider whether the City's existing Whistleblower policy should be revised in the context that there are now independent Offices of the Auditor General and Integrity Commissioner.

QUESTIONS?
