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FOLLOW-UP TO THE BELLAMY REPORT RECOMMENDATIONS

The Finance and Administration Committee recommends the adoption of the recommendation contained in the following report, May 18, 2006, from the Chief Administrative Officer:

1. RECOMMENDATION

It is recommended that this report be received for information.

2. PURPOSE

The purpose of this report is to update Regional Council regarding York Region policy and procedure improvements that have been undertaken with consideration to the Bellamy Report recommendations.

3. BACKGROUND

On September 12, 2005, the Honourable Madam Justice Denise E. Bellamy delivered a report with recommendations covering both, the Toronto Computer Leasing Inquiry (TCLI) and the Toronto External Contracts Inquiry (TECI) (also known as the MFP inquiry). The report examined the events in question regarding six large transactions, which occurred before, during and after amalgamation, between the City of Toronto and outside suppliers of information technology services and equipment. In June 2001 serious questions were raised about these large transactions, and a public inquiry led by Justice Bellamy was initiated in March 2002.

The Bellamy Report listed a total of 241 recommendations categorized into main issues to be addressed:

- Ethics (70 recommendations)
- Governance (28 recommendations)
- Lobbying (31 recommendations)
- Procurement (110 recommendations)
- as well as 2 other recommendations regarding the implementation of the report's recommendations and the requirement for public reporting of progress.

Although the findings, conclusions and recommendations made in the Bellamy Report were developed as a result of an inquiry into the policies and procedures at the City of

Toronto, the recommendations of Justice Bellamy have acted as a guide to review our own practices here at York Region.

On October 27, 2005 Regional Council endorsed an action plan to review current policies and practices as they relate to procurement, management controls, integrity and governance practices, and include a full review of the 241 recommendations detailed by Justice Bellamy to see what elements may have application to York Region.

It was determined that staff would communicate progress of the action plan to Regional Council as appropriate, including any recommendations for policy changes or updates.

4. ANALYSIS AND OPTIONS

Regional staff conducted a full review of all 241 recommendations detailed by Justice Bellamy to see what elements may have application to York Region. From this review, it was determined that York Region has many sound policies and procedures in place that meet the intentions of the Bellamy recommendations.

Some minor gaps were noted. It was concluded that these gaps could be addressed with refinements to two areas: the Region's Code of Conduct and the Region's procurement policies and procedures.

4.1 Code of Conduct Review

Staff undertook a full review of the Region's Code of Conduct, including a comparison to other regions and local area municipalities. Refinements to the Code of Conduct were primarily minor wording changes, with some sections changing more significantly.

The most noteworthy change to the Code of Conduct is the incorporation of elements of the Recruitment Policy, to clarify the recruitment and selection process for hiring of relatives, and to reinforce that:

- the Region will not favour nor will it inhibit the hiring of relatives;
- no Regional employee will be involved in or attempt to influence any part of the hiring process where a relative is a candidate or a perceived conflict exists;
- the Region will not consider an applicant for a position which comes under the direct or indirect supervision of a current employee who is a relative of that applicant;
- all applicants will be required to disclose the names of relatives where a direct or indirect reporting relationship may be created through the recruitment.

Other minor changes to the Code of Conduct include:

- an expanded definition of relative;
- a clearer definition of a supervisory relationship;
- expected standards of employee behaviour and professionalism;
- inclusion of the corporate values;

- suggested refinements to the Personal Use of Regional Property policy;
- increase clarity with respect to the use of alcohol and drugs;
- greater reinforcement and clarity to the Attendance at Events and Gifts policy; and
- pre-approval and tracking of staff attendance at events.

The Human Resource Services Branch has proposed an employee communication and training package to reinforce the Code of Conduct.

It is expected that the Code of Conduct will be regularly reviewed and modified to reflect a current environment.

4.2 Procurement Review

With consideration of the procurement recommendations in the Bellamy Report, staff undertook a full review of the Region's procurement policies and procedures. Upon evaluation, it was determined that York Region's procurement processes, for the most part, meet or exceed the detailed recommendations outlined by Justice Bellamy.

Some suggested areas for improvement that have been incorporated into the Region's procurement procedures and practices include:

- educating staff who perform a delegated purchasing role with the ethics rules of the National Institute of Government Purchasing;
- enhance staff training through an in-house training program to ensure greater consistency and understanding of purchasing policies and procedures;
- developing of a "How to Do Business with the Region" handbook for bid proponents;
- written communication to consultants/contractors reinforcing the receipt of gift component of the Region's Code of Conduct;
- development of a Procurement Tool Kit outlining the Region's purchasing process and enabling access to forms through the internet;
- establishment of a formal debriefing process to bidding proponents as outlined by the American Bar Association Model Procurement Code.

The Region has also reviewed its policy and procedures for evaluation of bids and will be bringing forward recommendations in a separate report to Finance and Administration Committee.

All Governance recommendations of the Bellamy Report were reviewed and it was determined that York Region currently meets the intentions of the Bellamy recommendations.

Other recommendations of the Bellamy Report relating to lobbying activities were reviewed and determined not to have a direct application to York Region as lobbying efforts are not common practice within the corporation.

5. FINANCIAL IMPLICATIONS

This proposed action plan will have no additional tax levy impact, as the resources to be utilized are part of the Region's regular and ongoing efforts of process improvements within program areas.

6. LOCAL MUNICIPAL IMPACT

While the Region's refinements have no local municipal impact, local municipal CAO's have shared practices and policies in an effort to assist each other in reviewing the Bellamy recommendations.

7. CONCLUSION

The proposed administrative changes outlined in this report will sharpen the Region's policies and procedures and ensure that the corporation remains accountable, transparent and fair to the citizens of York Region.

The Senior Management Group has reviewed this report.