



OFFICE OF THE
City Auditor

Fleet Safety Audit

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Executive Summary

Fleet Safety is one of the business units within the Engineering and Planning Services Section of the Fleet Services Branch. Fleet Safety is responsible for driver training, driver Permit maintenance, 24-hour emergency collision investigations, and National Safety Code regulation compliance.

Based on the results of our risk assessment, the objectives for this audit were to determine whether the City Driving Permit process is adequate to ensure that only valid Drivers are operating City vehicles, and whether the City's Driver Safety Program is effective.

City Driving Permit Process

To assess the adequacy of the City Driving Permit process, we completed a detailed review, which included sampling active Permit holders and determined their compliance with the *Driver's Manual*.

We found that not all of the mandatory documents for the issuance of a Permit are in place. We also found that the maintenance of the Driver's information to be inconsistent. Moreover, we identified several weaknesses in the Driver's monitoring process.

Based on the findings observed, we believe there are opportunities for improvements. We made three recommendations to improve the process in the areas of the Permit issuance process, Permit information maintenance process, and Permit monitoring process.

Effectiveness of the Driver Safety Program

To assess the effectiveness of the Driver Safety Program, we conducted a high-level overview and analysis of Fleet Safety performance measures. Our review of the performance measures suggests that Drivers are driving in a safer manner as the total number of traffic infractions and preventable collisions have decreased. However, Fleet Safety is encouraged to continue working with the Departments in an effort to identify Drivers responsible for traffic infraction tickets and to further reduce preventable collisions.

We also surveyed Department contacts to evaluate the effectiveness of communication between Fleet Safety and the Department. We received positive responses overall. Therefore, our overall assessment is that the Driver Safety Program is effective.

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Fleet Safety Audit

1. Introduction

The Office of the City Auditor (OCA) included an audit of the Fleet Safety business unit in its *2013 Annual Work Plan*. This audit included a review of the City Driving Permits (Permits) process and the effectiveness of the City's Driver Safety Program. City employees who drive, use, or have care and control of City owned and leased vehicles must have a Permit. The City places great importance on the safety of both its employees and the public.

2. Background

2.1. Organization Structure

Fleet Services Branch is responsible for the procurement requirements, use, administration, fleet safety, and maintenance of the City's vehicles. The Branch consists of six sections. Fleet Safety is one of the business units within the Engineering and Planning Services Section of the Fleet Services Branch.

Currently, there are nine employees in Fleet Safety, including five Fleet Safety Officers, one Fleet Safety Assistant, one Collision Repair Coordinator, one Clerk and the Fleet Safety Supervisor. Fleet Safety is responsible for:

- Driver training – Fleet Safety works with the authorized Department trainer to provide driver training to City drivers. Fleet Safety also conducts road testing and evaluation for specific classes of City drivers.
- Driver Permits maintenance – Fleet Safety works with the designated Department contacts for Fleet Safety to update and maintain driver's information.
- 24-hour emergency collision investigations – Fleet Safety Officers investigate all collisions involving City vehicles, and assess City demerit points against the Driver's Permit, as well as investigate matters of mechanical defects/failures involving City vehicles.
- National Safety Code regulation compliance – Fleet Safety monitor compliance with National Safety Code regulations as it pertains to oversight and administration relating to the driver operation and maintenance of City vehicles.

2.2. City Driving Permit Overview

A Permit allows employees to operate specific classes of City vehicles. There are five classes of Permits ranging from the highest class E to the lowest class B. Higher class Permits allow the permit holder (Driver) to operate a vehicle in a lower class. For example, a Driver with a class C-NSC can operate vehicles within the Permit classes C-NSC, C, and B. However, that Driver cannot operate vehicles in Permit classes D and E.

Currently, there are 6,721 active Drivers. The majority of them have either a class B (45 percent) or class D (36 percent) Permits. The number of Drivers in each of the 5 classes is shown below in Table 1.

Table 1: City Driving Permit Holders Summary

CLASS	Vehicles operated within Class	# of Permits
E	Any vehicle	188
D	Motor vehicle with 3 or more Axles	2,403
C-NSC	1-2-3 ton Trucks over 11,794 Kg	75
C	1-2-3 ton Trucks	1,054
B	Passenger Cars, Pickups trucks	3,001
Grand Total		6,721

2.3. Policies and Bylaws

All Drivers must comply with Provincial and Federal traffic legislations, as well as applicable City policies, directives, and procedures.

The applicable Provincial legislation and Federal regulation related to the Driver Safety Program include the *Alberta Traffic Safety Act* with its 13 Regulations and the *National Safety Code* (NSC) with its 15 Standards.

- **Alberta Traffic Safety Act** establishes the rules for registration and operation of motor vehicles in Alberta and other traffic safety matters.
- **National Safety Code** is a code of minimum performance standards that apply to all persons responsible for operating commercial vehicles.

The City has established Administrative Directive A1416A, *Operating City Vehicles and Equipment*, which defines expectations for City Drivers. The accompanying Administrative Procedure A1416A includes definitions, procedures and guidelines for Drivers, as well as the *Driver's Manual*, which provides guidance on the City policies and requirements for Drivers.

2.4. Recent Improvements

Fleet Safety has implemented two major changes in the past few years to improve its processes as described below.

2.4.1. Abstract Consent Form

The Government of Alberta regulates the release, maintenance, use, and disclosure of information collected for *Traffic Safety Act* purposes through the Access to Motor Vehicle Information Regulation (AMVIR). In 2010, Service Alberta audited Fleet Safety's processes related to obtaining Driver Abstracts for City employees. The audit identified several deficiencies in the process. In order to comply with the AMVIR Agreement, Fleet Safety started using the Abstract Consent Form approved by the Province. All Drivers must sign the Abstract Consent Form every three years. Thus, Fleet Safety reduced the

validity period for Permits from five years to three years. This is to ensure that Drivers will sign the Abstract Consent Forms when they renew their Permits.

2.4.2. Driver's Safety Program

The purpose of the Driver's Safety Program is to provide guidance on the City policies and requirements for Drivers. The related policies and requirements are described in the *Driver's Manual*. This *Driver's Manual* was updated in 2011 due to Alberta Transportation's NSC Standards audit. This audit led to the implementation of an updated Administrative Directive and Procedure A1416A, *Operating City Vehicles and Equipment*. Fleet Safety rolled out the new *Driver's Manual* to all Departments at the beginning of 2013.

3. Audit Objectives, Scope, & Methodology

3.1. Audit Objectives

The objectives of this audit were to determine whether:

1. The City Driving Permit process is adequate to ensure that only valid Drivers are operating City vehicles.
2. The City's Driver Safety Program is effective.

3.2. Audit Scope

The scope of this audit included Permit holders as of June 2013 for City Departments, except for:

- Edmonton Transit Bus and Disabled Adult Transit Service operators, who are governed by the driving policies of their own organization.
- Edmonton Police Service which is governed by the Edmonton Police Commission.
- Fire Rescue Services which is exempt from the Administrative Directive A1416A.
- Edmonton Public Library which operates under an independent Board.

3.3. Methodology

We performed a risk assessment of the Permit processes to define the audit objectives. We interviewed stakeholders within Fleet Safety, Department contacts for Fleet Safety and Inside Information – Employee Service Centre staff to better understand Fleet Safety's processes and associated risks.

In order to meet our objectives, we performed the following audit procedures:

1. To assess the adequacy of the Permit process, we completed a detailed review, which included sampling active Permit holders and determined their compliance with the *Driver's Manual*.
2. To assess the effectiveness of the Driver Safety Program, we conducted a high-level overview and analysis of Fleet Safety performance measures. We also surveyed Department contacts to evaluate the effectiveness of communication between Fleet Safety and the Department.

4. Observations and Analysis

4.1. Issuing City Driving Permits

Inside Information issues the Permit as part of the employee's identification (ID) combination card. The ID combination card includes the employee's picture, swipe access to designated City facilities, and their Permit. To qualify for a Permit, Drivers must be over the age of 18 years and possess a valid Provincial Operator's Licence with the appropriate classifications and endorsements for the type of vehicle operated.

To obtain a Permit, an applicant must supply three mandatory documents to Inside Information including: management approval, a Driver Abstract, and an Abstract Consent Form. Additionally, a road test must be completed for Drivers applying for a Class C Permit or higher. Inside Information will review these documents for appropriateness, and enters that information into their computer system to print the ID combination card.

To determine whether all mandatory documents were in place, we randomly sampled 100 Drivers. We reviewed their applicable documentation based on their last visit to Inside Information to apply or make changes to their Permits.

4.1.1. Management Approval

New applicants and applicants requesting an upgrade of a Permit must obtain management approval. Employees who apply for a class B Permit require authorization from their supervisor. Employees who apply for a class C or higher Permit require approval from the Fleet Safety business unit. This approval is in the form of a road test conducted by a Fleet Safety Officer or an authorized department trainer.

In our samples, 28 Drivers were new applicants and 7 Drivers upgraded their Permits, thus requiring approval. We observed that all 7 Permits for class C and above had approval in place. However, there were records of approvals for only 6 of the 28 class B Drivers.

4.1.2. Driver's Abstract

New applicants must provide a Provincial Driver's Abstract dated within 30 days of their application. A Driver's Abstract provides the current status of a Provincial Operator's Licence and lists any associated Provincial demerit points. Fleet Safety will not issue a Permit to the employee if their Provincial Driver's Abstract has either a suspended or cancelled status or if it shows more than eight demerit points on their Provincial Operator's Licence.

In our samples, 28 Drivers were new applicants that required a current abstract. We found a Driver's Abstract on file for 18 of the 28 Drivers.

4.1.3. Abstract Consent Form

All employees applying for a Permit are required to sign a Provincial Abstract Consent Form. By signing this form, they authorize the City to obtain a Provincial Driver's Abstract at any time while employed by the City.

The Abstract Consent Form is valid for three years from the date it is signed or for the duration of the employment, whichever is shorter. Drivers must sign a new Abstract Consent Form every three years as a condition of renewing their Permit. This requirement started in March 2011 as the result of the AMVIR regulation.

All 100 Drivers in our samples were required to sign the Abstract Consent Form. We found a signed Abstract Consent Form for 82 Drivers.

4.1.4. Road Test

New applicants for class C Permits and higher must pass a road test. A road test is a practical driving skills evaluation test and is conducted according to Provincial standards. Fleet Safety Officers or authorized Department trainers have the authority to conduct the road test for the specified Permit class.

In our samples, seven Drivers had applied for class C or higher Permit and all seven Drivers had a passing road test on file.

Summary of Results

We were unable to locate all of the mandatory documents for the issuance of a Permit for our sample of 100 Driver records. Table 2 below shows the results for the mandatory documents we tested:

Table 2 – Mandatory Documents Testing Results

Mandatory Documents	Document required	Document located	% located
Approval	35	13	37%
Driver Abstract	28	18	64%
Abstract Consent Form	100	82	82%
Road Test	7	7	100%

We observed that only 13 out of 35 (37 percent) Drivers had management approval on file. Management approvals occur in a variety of forms such as emails, phone calls, or new employee listing memos. These transitory documents may not be maintained for the full Permit lifecycle (3 years). Although, the *Driver's Manual* requires the use of the application form, it is not being used on a consistent basis. This results in inconsistent approval documentation.

Inside Information forwards the Driver's Abstract, the Abstract Consent Form, and road test to Fleet Safety in batches. Fleet Safety manually sorts the documents and files them alphabetically for each document type. We observed that Fleet Safety does not

verify to ensure that all of the mandatory documents have been obtained and filed for each Driver. Therefore, Fleet Safety is unable to determine if any documents are lost during transit, being misfiled, or were not in place prior to issuing a Permit.

During our field testing, we observed a computer system issue. Normally, a seasonal worker rehired after more than 60 days would have to go through the approval and document submission process as they are considered to be a new employee. The Human Resource department is responsible for re-activating the profile of seasonal employees. We observed that the system automatically re-activated the Permit to an "Active" status for six of the seasonal employees in our sample. As a result, they had active Permits without applying for the Permit to be re-activated.

Our observations demonstrate that there is a risk that Permits may be issued without the necessary documentation. When proper approval documents are not in place, a Driver may obtain a Permit when it is not needed or one with an inappropriate class. If the Driver's Abstract is not obtained, a Permit may be issued to an employee with unsafe driving history. Failure to maintain mandatory documents leads to non-compliance with Provincial requirements and the City *Driver's Manual*, thus we recommend the following:

Recommendation 1 – Improve the City Driver Permit issuance process

The OCA recommends that Fleet Safety improve the issuance process by:

1. Working with Inside Information to ensure all mandatory documentations are in place prior to issuing a Permit;
2. Implementing a monitoring process to ensure that required application documents are maintained for all Drivers; and
3. Working with the IT Branch and appropriate Departments to solve the computer system issue.

Management Response

Accepted

Action plan:

Fleet Services will work with Inside Information to institute a process to ensure required documentation is obtained for all Drivers. Also we are currently working with IT Branch to eliminate computer issues identified above. Fleet Safety will conduct regular audits of Driver Permits to ensure they were issued as per protocol and for the purposes of monitoring accuracy of data entry as well as to monitor for any computer issues. Any issues identified during audits will be corrected immediately.

Planned Implementation Date: June 2014

Responsible Party: Director – Engineering and Planning, Fleet Services

4.2. Maintaining Driver's Information

All Permits are issued by Inside Information. After the Permit is issued, Fleet Safety is responsible for maintaining the Driver's information. This includes maintaining an updated record of the Driver's training requirement, updating the Driver's information,

and ensuring that all Drivers have signed forms to acknowledge receipt of the *Driver's Manual*.

4.2.1. Mandatory Training

Training helps a Driver gain the necessary qualifications, knowledge, and skills for driving a City vehicle. The responsibility for training lies with the Driver, their supervisors, and Fleet Safety to ensure that required training is taken and documented.

The City offers a variety of training courses, both internally and through contractors. Fleet Safety and the Departments provide various fleet safety-related training to the Drivers. The *Driver's Manual* describes optional training (i.e. Defensive Driving) as well as mandatory training. Mandatory training includes:

- **Fuel Sense** – The purpose of the Fuel Sense program is to reduce greenhouse gas emissions and highlights ways to drive with maximum fuel efficiency. Fuel Sense is a mandatory training program for all holders of class C, C-NSC, D, or E Permits. It is also mandatory for holders of class B Permits who use more than 1,000 litres of fuel annually. Drivers have to retake the training every five years. Fleet Safety is responsible for the delivery and record keeping of the Fuel Sense training for all Drivers.
- **NSC Training** – In compliance with NSC regulations, this is a mandatory driver training program for all Drivers who hold a class C-NSC, D, or E Permit. The NSC training is a one-time course that includes four modules: NSC Introduction, Cargo Securement, Trip Inspection, and Hours of Service. Fleet Safety is responsible for providing training and maintaining Drivers' NSC training records.
- **Transportation of Dangerous Goods (TDG) Training** – TDG training provides Drivers with an understanding of the hazards and regulatory requirements associated with transporting dangerous goods. Drivers who transport dangerous goods must obtain TDG training and certification which is valid for three years. Currently, individual Departments are responsible for coordinating TDG training. Once a Driver completes the training, the Department contacts send the information to Fleet Safety to maintain TDG training records.
- **Air Brakes Training** – Air Brakes training is a one-time course, which prepares Drivers to operate vehicles equipped with air brakes. Departments are responsible for coordinating Air Brakes training. When a Driver completes the Air Brakes training, the trainer must forward the information to Fleet Safety to be entered into the Driver's training record.

To determine if all the mandatory training records were in place, supervisors provided the training requirements for each of the 100 Drivers in our sample. We obtained the training records maintained by Fleet Safety and the Department contacts, which we then compared with the training requirements to determine if the Driver had taken all their mandatory training. The results are provided in Table 3 on the following page.

Table 3 – Mandatory Training Records

Training	Training Required	Training Taken	% Taken
Fuel Sense	60	21	35%
NSC Training	30	29	97%
TDG Training	11	8	73%
Air Brakes Training	38	38	100%

The results show that mandatory training is not being completed by City Permit holders for three of the four mandatory training courses.

During the audit, we observed that there is no single source to obtain Drivers' training records due to three factors.

- The coordination of the mandatory training courses also adds to the complexity of record keeping, as training can be offered in a variety of areas. For example, Fuel Sense training historically can be coordinated by Fleet Safety or the Departments.
- Training records are kept in multiple locations. Some records are maintained at the Department while some are maintained by Fleet Safety.
- The computer systems and applications used to track the training can also vary as there are a variety of methods to track the training information.

Therefore, Fleet Safety and supervisors are unable to easily determine whether a Driver has taken the mandatory training. When Drivers do not have their mandatory training, they may lack the adequate knowledge and skills required to safely operate various types of City vehicles. Both Drivers and the City could be at risk of non-compliance with Provincial and Federal legislation and City policies.

4.2.2. Consistency of Driver's Information

Fleet Safety is responsible for maintaining Driver's Permit information. Currently, Drivers' information is maintained in two different computer systems.

When issuing a Permit, Inside Information uses one system to enter information such as the Provincial Operator's Licence number, class, expiry date, etc. prior to producing the employee ID combination card. Inside Information then enters the same information into a second system. Fleet Safety uses the second system to manage the Permit on a go forward basis including producing monthly reports for analytical purposes based on the information entered.

To assess the consistency of the Driver's information, we compared the information from the two computer systems for our 100 samples. We identified inconsistent information for 46 Drivers and there were multiple inconsistencies for 5 Drivers in the 2 computer systems. Table 4 on the following page shows the inconsistencies we identified during our testing.

Table 4 – Comparison of Information Between Two Systems

Information	Inconsistencies
Provincial Operator's Licence number	2
Provincial Operator's Licence class	3
Provincial Operator's Licence expiry date	40
Permit expiry date	4
Permit class	2

We noted inconsistencies for information related to both the Provincial Operator's Licence and Permits. There appears to be three main factors which are the root cause of the discrepancies:

- Inside Information uses a manual process to enter the same Drivers' information in two different systems, thus there is a risk of data entry errors causing discrepancies.
- Fleet Safety predominantly uses the second system and thus updates new information (such as new expiry dates, new classes) in this system but not the first system. This practice creates inconsistencies in the information.
- There is no reconciliation process in place to ensure information agrees in the two systems. When discrepancies occur, there is no process to detect them.

There is a risk that users of the information are unable to determine which information is accurate. For example, Fleet Safety may notify an employee that their ID combination card has expired as per the second system; however, Inside Information may have issued an ID combination card with a different expiry date based on information in the first system. Therefore, users may make decisions based on outdated or inaccurate information.

4.2.3. City Driver's Manual Acknowledgement Form

The *Driver's Manual* provides general information and guidelines for operating City vehicles. Fleet Safety implemented a new *Driver's Manual* in October 2012, and rolled it out to City Departments starting in January 2013. To ensure all Drivers received and agreed to read the *Driver's Manual*, Fleet Safety required all Drivers to sign an Acknowledgement Form.

To determine if all Drivers have received the *Driver's Manual*, we obtained a listing of all Drivers who have signed the *Driver's Manual* Acknowledgement Form and compared it to a listing of all 6,721 current Drivers.

We observed that only 61 percent of the current Drivers had signed the Acknowledgement Form. The low percentage may be the result of weakness in the roll-out process. Initially Fleet Safety invited all Department contacts to attend the roll-out meeting, but not all of them attended and followed the instructions for the roll-out process. Therefore, some Departments either did not receive the new *Driver's Manual* or Departments did not submit the Acknowledgement Form as instructed.

In addition, follow-up of Drivers who have not signed the Acknowledgement Form has been inconsistent. The end result is that 39 percent of the Drivers did not sign their Acknowledgement Forms several months after the roll-out of the new *Driver's Manual*.

Since Fleet Safety has not received signed *Driver's Manual* Acknowledgement Form from all Drivers, it is unable to confirm whether these Drivers have received and read the *Driver's Manual*. Without reading the *Driver's manual*, the Drivers may not know the necessary procedures, roles and responsibilities of having a Permit.

To ensure Drivers' records are complete and accurate, we recommend the following improvements:

Recommendation 2 – Improve Maintenance of Drivers' Records

The OCA recommends that Fleet Safety improve the Drivers' record maintenance by:

1. Working with the Departments to implement a consistent training records maintenance process, and to ensure all Drivers have completed their mandatory training;
2. Working with the Departments to implement a process to ensure the consistency of Fleet Safety records between different systems; and
3. Implementing a systematic process to ensure that all Drivers are aware of the new *Driver's Manual*.

Management Response

Accepted

Action plan:

Fleet Services will work with departments to implement a process that would make the departments responsible for providing copies of any driver-related training records to Fleet Safety for filing in the respective 'Driver Files'. In addition, tracking process will be instituted to ensure mandatory National Safety Code training is in place prior to the issuance of specific City Driving Permit by Inside Information.

Fleet Safety is currently working on a project with IT Branch that will allow for the two different computer systems to merge data. This will require data input once into one system and will automatically be merged into the second system. Fleet Safety will conduct regular auditing of newly issued and renewed permits to ensure the records are being merged properly in both systems.

Work with respective departments to provide education to employees to increase awareness of the *Driver's Manual*. Regular audits to ensure all employees acquiring either new permits, or employees renewing their permits have received the manual from Inside Information.

Planned Implementation Date: June 2014

Responsible Party: Director – Engineering and Planning, Fleet Services

4.3. Monitoring Driver's Status

Drivers must remain in good standing with the requirements while holding a Permit. They have to be a valid Driver in order to operate a City vehicle. Holding an adequate Permit class is important due to the various types of vehicles that are operated and any changing job responsibilities over the course of employment. Additionally, an appropriate recovery process for traffic infraction fines ensures that Drivers are advised of infractions, and that unsafe driving practices are addressed in a timely manner.

4.3.1. Validity of Driver's Permits

Fleet Safety is responsible to ensure that only valid Drivers are operating City vehicles. A Permit is valid when the Drivers have fewer than 8 City demerit points and has not expired. To assess the validity of Permits, we obtained a listing of all 6,721 active Permits and performed an analysis to identify any irregularities.

City Demerit Points – As per the *Driver's Manual*, Fleet Safety will notify the Driver of any Demerits assessed as the result of a preventable collision or a traffic infraction. Fleet Safety will suspend a Permit if it has accumulated over 7 City demerit points in a 24 month period. Currently, Fleet Safety produces and sends each City Department a *Monthly Demerit Report*. This report identifies Drivers with more than 4 City demerit points and ensures that Drivers receive proper coaching as their demerits rise.

Based on our review of the listing of active Permits, we found 3 Permit holders exceeded the threshold. The 3 Permit holders accumulated between 8 and 11 City demerits and still had an active status. Fleet Safety indicated that this irregularity is the result of a timing issue as these Drivers were awaiting the notification process.

City Driving Permit Expiry Date – Permits must have a valid expiry date. Currently, Fleet Safety produces and sends each City Department the *Monthly Expiry Report*. This report identifies City Drivers with Permits that will expire in the current month in order for Drivers to have sufficient time to renew their Permits. The report only shows those that will expire in the current month but not those which have expired in prior months. In the instances where a Driver failed to renew their Permit in the previous month, their name would not be included in subsequent *Monthly Expiry Reports*.

Based on our review of the listing of all active Permits as of May 31, 2013, we observed that 7 Permits had expired between January 2011 and March 2013. Fleet Safety indicated that all 7 errors were due to an incorrect date being entered into the computer system. Additionally, 3 Permits did not have an expiry date entered in the computer system.

Fleet Safety does not have a systematic review process in place to analyze the validity of Permits. Thus, errors in data entry and Drivers who did not meet the validity criteria were not identified and investigated. Driving with an invalid Permit is non-compliance with City policies and poses a liability risk to the City.

4.3.2. Period of Validity

In 2011, Fleet Safety changed the Permit period of validity from 5 years to 3 years. All Drivers were required to renew and update their Permits. This change was to ensure that Drivers will sign the Abstract Consent Form when they renew their Permits every 3 years as required by the *Driver's Manual*.

Based on our review of all active Permits, we found that 508 Drivers had permits that are valid for longer than 3 years. Fleet Safety indicated that this may be due to a variety of factors including data entry errors (i.e., inaccurate issuance date and expiry date), or some Drivers did not renew their Permits during the conversion period. In addition, Fleet Safety currently does not have a process to identify irregularities in Permit period of validity, thus these Drivers may remain holding a Permit that are valid for longer than 3 years.

The risk of Drivers with Permit period of validity over three years is that the timing of signing the Abstract Consent Form does not align with the renewal of their Permits. Thus, Drivers may not sign the Abstract Consent Form every three years as required by the *Driver's Manual*.

4.3.3. Adequacy of Permit Classes

As mentioned previously, there are five classes of Permits that can be issued to Drivers based on the type of vehicle they operate. Having the correct class of Permit is required to ensure that a Driver has the proper training and knowledge for safe operation of City vehicles.

To determine whether Drivers possessed the appropriate Permit class, we asked supervisors to provide the types of City vehicle the Drivers operate and the corresponding Permit class required for 100 samples. We then compared the Permit class required with the Permit class the employee currently holds.

We found that the classes for seven Permit holders were too low for the types of vehicles the Drivers were operating. For example, one Driver operated a one-ton truck that required a Permit class C. However, this Driver only held a class B Permit.

The risk of not having the appropriate Permit class is that those Drivers have not attained the adequate training and knowledge to safely operate the types of vehicle required. This results in non-compliance with City policies, further increasing the City's risk of liability.

4.3.4. Recovery of Fines Due to Traffic Infractions

Drivers must comply with traffic laws. As per the City's *Driver's Manual*, Drivers are responsible for paying the fines incurred as the result of violation of traffic laws while driving a City vehicle.

To determine the rate of recovery for traffic infractions, we reviewed the infraction tickets received by Fleet Safety for all City vehicles in the 2012 calendar year. In total,

there were 113 infractions captured via automated enforcement systems (photo radar or intersection safety devices). As the owner of the vehicles, Fleet Safety receives the infraction ticket by mail and forwards it to the applicable Department. We noted that the Departments identified the Driver in 74 instances (65 percent). The actual number of traffic infractions and cost of the infraction is shown in Table 5 below.

Table 5 – 2012 Traffic Infractions

	Number	\$ Amount
Drivers Identified	74	\$ 8,484.00
Drivers Unidentified	39	\$ 4,639.00
Total Tickets	113	\$ 13,123.00

We also observed that Departments have recovered the cost on only 24 of the 74 tickets where the Driver was identified by the due date. Table 6 below shows the number and the amount of the tickets that were recovered by the due date.

Table 6 – 2012 Traffic Infraction Recovery by Due Dates

	Number	\$ Amount
Tickets Paid by Drivers	24	\$ 3,419.00
Tickets Paid by City	89	\$ 9,704.00
Total Tickets	113	\$ 13,123.00

For the remaining 89 tickets, Fleet Safety paid for them on the due date in order to avoid any late payment penalty charges. Fleet Safety then recovers these amounts from the Department in which the vehicle belongs to. Once paid on the due date, Fleet Safety does not track the subsequent recovery of traffic infractions. It is the responsibility of the Departments to recover the costs of those tickets by following up on the tickets where the Driver has yet to be identified. Fleet Safety has no records about the number of tickets further recovered by the Department after the due date.

Fleet Safety indicated that Departments are often unable to identify the Drivers who incurred the traffic infraction because the vehicle log does not have sufficient detail to determine who was operating the vehicle. Without properly identifying the Driver who committed the infraction, Fleet Safety cannot assess the associated City demerit points. In addition, when Drivers are not held accountable for their traffic infractions, they may not improve their driving habits.

Based on our work, Fleet Safety needs to improve their processes to monitor Permit validity, Permit period of validity, appropriateness of Permit classes, and recovery of traffic infraction costs, thus we recommend the following:

Recommendation 3 – Improve the Driver Monitoring Process

The OCA recommends that Fleet Safety improve the City's driver monitoring process by:

1. Implementing a systematic process to monitor the validity of Drivers' Permits;
2. Implementing a process to ensure that all Permits are issued for a period of validity of three years;
3. Working with the Departments to ensure that the Driver holds the appropriate Permit class; and
4. Working with the Departments to implement process to identify Drivers who incurred the traffic infraction, and ensure that ticket costs are recovered from them.

Management Response**Accepted****Action plan:**

As part of the auditing process of new or renewed City Driving Permits, Fleet Safety will monitor data entry information to ensure it properly reflects issue date and expiry dates to ensure permits are valid and to ensure Drivers have signed the Abstract Consent Form which is required every 3 years. Permits found to have inaccurate information will be followed up by Fleet Safety.

Regular auditing will take place to ensure drivers are properly permitted for the vehicle they are operating. This will include reviews during Fleet Safety investigations of collisions and traffic complaints, as well as spot auditing in the field by Fleet Safety personnel.

Fleet Safety has bolstered their processes in an effort to have departments provide the identity of drivers involved in traffic infractions, as well as to monitor payment or reimbursement of payment to departments from the driver.

Planned Implementation Date: June 2014

Responsible Party: Director – Engineering and Planning, Fleet Services

4.4. Effectiveness of the Driver Safety Program

The Driver Safety Program expects Drivers to follow all traffic laws. It also requires Drivers to drive in a safe manner to minimize the risk of collisions.

To assess the effectiveness of the City's Driver Safety Program, we reviewed 2 performance measures - numbers of automated enforcement traffic infraction and preventable collisions for the years 2010 to 2012. The trends in these measures are an indicator of whether the City Driver's Safety Program is effective in reducing the numbers of traffic infractions and preventable collisions.

4.4.1. Traffic Infractions Trend

When Drivers incur a traffic infraction in a City vehicle, the tickets are sent to Fleet Safety for processing. Figure 1 below shows the tickets received by Fleet Safety from 2010 to 2012.

Figure 1 – Traffic Infractions (2010-2012)

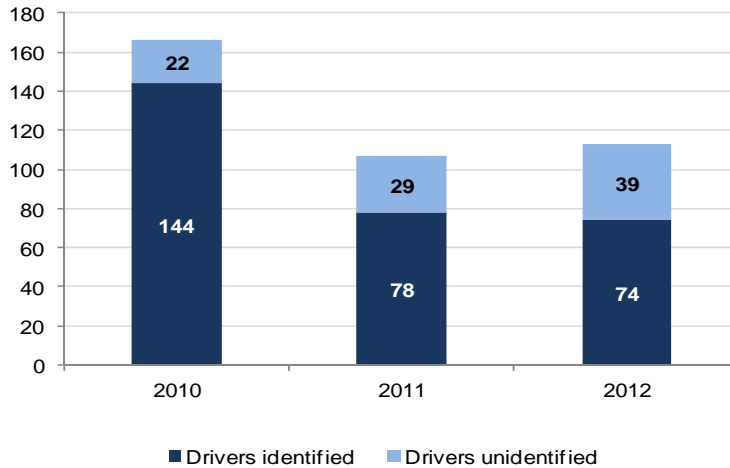


Figure 1 demonstrates that the total number of traffic infractions decreased from 2010 to 2011, but stayed relatively constant from 2011 to 2012. We noted that the percentages of Drivers identified as responsible for tickets has decreased from 87 percent in 2010 to 73 percent in 2011 to 65 percent in 2012. The decrease in the number of Drivers identified will impact the number and cost of Tickets recovered from the responsible Drivers as per discussed in Section 4.3.3.

4.4.2. Preventable Collision Trend

Drivers should operate City vehicles safely to avoid preventable collisions. A collision is preventable when a Driver did not exercise reasonable precautions to prevent the collision. When investigating collisions involving City vehicles, the Fleet Safety Officer will assess and classify the collision as preventable collision, or non-preventable collision. The number of preventable collisions provides an indication of whether Drivers are exercising due care when operating City vehicles.

Figure 2 on the following page shows the numbers of non-preventable collisions and preventable collisions from 2010 through 2012.

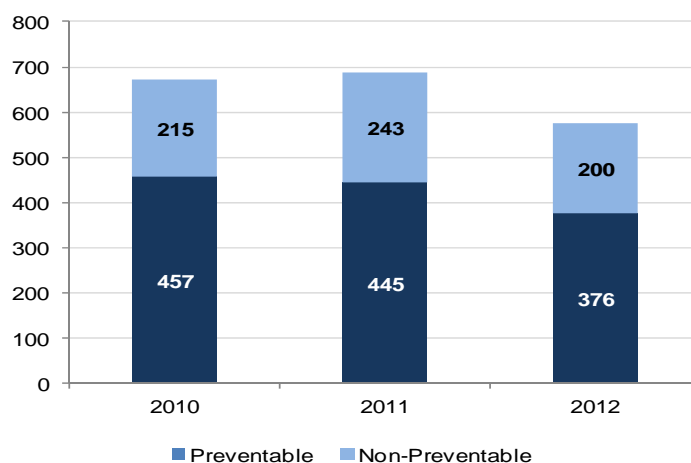
Figure 2 – Collisions (2010-2012)

Figure 2 demonstrates that the total number of collisions increased between 2010 and 2011, but decreased in 2012. The total number of preventable collisions has decreased continuously since 2010; however, approximately 66 percent of all collisions are preventable in each of the three years.

We noted that in 2012, 37 percent of the preventable collisions were due to backing, and 36 percent of the preventable collisions were due to striking an object. These 2 types accounted for 73 percent of the total preventable collisions. Since the Driver's Safety Program expects Drivers to prevent collision, we believe there is room for improvement to further reduce the number of preventable collisions.

When a Driver is involved in a collision, it causes damages to City, and in some cases, third-party properties. Preventable collisions also increase the repair and liability costs.

Overall, the trending of these two performance measures suggests that the City's Driver Safety Program has effectively reduced the total numbers of tickets and preventable collisions. However, Fleet Safety is encouraged to continue working with the Departments to more consistently identify Drivers who received tickets and to further reduce preventable collisions.

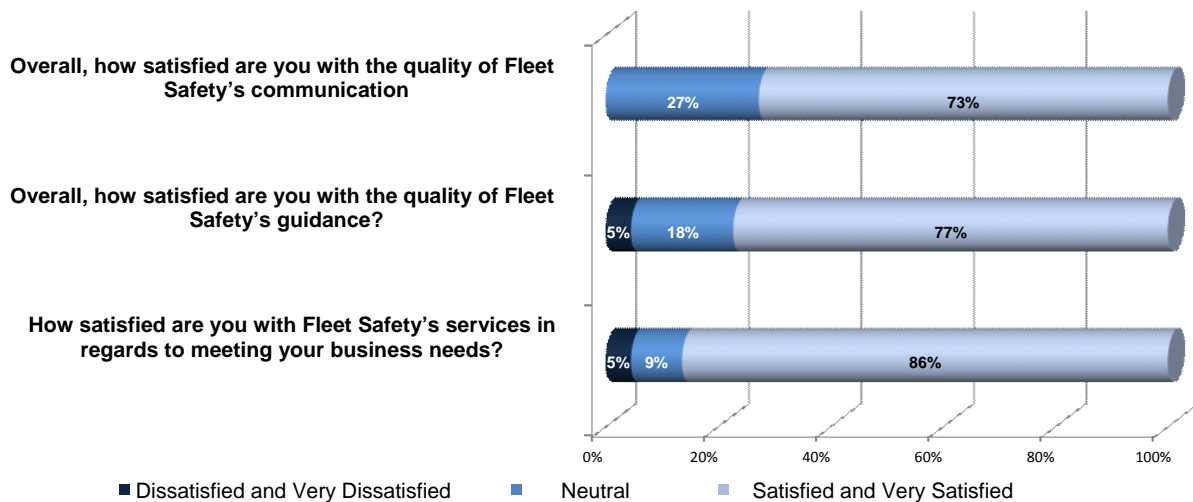
4.5. Effectiveness of Communications

Fleet Safety identified 39 Department contacts that are responsible for assisting Fleet Safety in its activities. These activities include the identification of traffic infractions violators, and formally notifying Drivers who were involved in preventable collisions. The Department contacts also receive and follow up on Fleet Safety's monthly reports, such as the *Monthly Demerit Report* and *Monthly Expiry Report*.

To determine the effectiveness of the communications between Fleet Safety and Department contacts, we surveyed all Department contacts. We asked them to rate their levels of satisfaction with Fleet Safety in the areas of quality of communication, quality of guidance and meeting their business needs on a 5-point scale.

Figure 3 below summarizes the survey responses from the 22 responses we received.

Figure 3 – Effectiveness of Communication Survey Results



The survey result shows that 73 percent of respondents were satisfied or very satisfied with the quality of communication. Responses regarding communication were positive in other areas too, including:

- Fleet Safety communicates with Department contacts through telephone calls, emails, or face-to-face meetings. 77 percent of respondents rated satisfied or very satisfied with the means of communication.
- 91 percent of respondents felt that Fleet Safety was knowledgeable or very knowledgeable in addressing their concerns.
- 77 percent felt that Fleet Safety responded to their questions in a timely or a very timely manner.

The survey also showed that 77 percent of respondent were satisfied or very satisfied with the guidance provided by Fleet Safety. Over 70 percent of respondents were satisfied or very satisfied with the rollout of the new *Driver's Manual* in January 2013, and felt informed or very informed regarding the NSC legislative requirements.

Lastly, we asked the Department contacts to rate their satisfaction with Fleet Safety's services in regards to meeting their business needs. The results were positive with 86 percent of respondents indicating that they were either satisfied or very satisfied.

5. Conclusion

Our first objective was to determine whether the Permit process is adequate to ensure that only valid Drivers are operating City vehicles. Based on the findings observed, we believe there are opportunities for improvements. We made three recommendations to improve the process in the areas of the Permit issuance process, Permit information maintenance process, and Permit monitoring process.

Our second objective was to determine whether the Driver Safety Program is effective. Our review of the performance measures suggests that Drivers are driving in a safer manner as the total numbers of traffic infractions and preventable collisions have decreased. However, Fleet Safety is encouraged to continue working with the Departments in an effort to identify Drivers responsible for traffic infraction tickets and to further reduce preventable collisions. We also surveyed Department contacts regarding the effectiveness of Fleet Safety's communication, and received positive responses overall. Therefore, our overall assessment is that the Driver Safety Program is effective.

We thank the Fleet Safety staff and management for their assistance and cooperation throughout this audit.