



Audit Follow Up Report

September 23, 2013

To: Pre Audit Sub Committee
From: Brian Bigger, Auditor General

Re: Conventional Transit

Audit Report Released	August 2011
Original # Of Recommendations	16
# Of Action Plans Previously Completed	0
# Of Action Plans Now Completed	15
# Of Action Plans On Next Follow Up	1
Status As Of June 30, 2013	On Track

Recommendation and Summary Of Progress (Note: Self assessment conducted by Transit Services)	Self-assessed Status
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Recommendation 1	
Annual or semi-annual business plans, describing planned initiatives, performance measures and performance targets should be developed, and communicated to the Transit Committee, and Council in support of future strategic direction and budget deliberations. This is a fundamental element in support of the quality of stewardship over public funds and the achievement of value for money in operations.	Alternative Action Taken
<u>Original Management Response</u> Transit will follow the same direction as the rest of the corporation in regards to business plans.	
<u>Actions taken, results and /or actions planned</u> Transit's plan is presented on an annual basis through the Infrastructure Services budget .	

Recommendation 2	
The U-Pass agreement is up for renewal on April 30, 2011. Therefore, there is an opportunity that before the contract is renewed, the costs and goals of the program can be evaluated. There is the opportunity to decide the direction of the program and whether the program should be revenue neutral, continue to be subsidized by gas tax grants (within the capital plan), or eliminated entirely.	Alternative Action Taken

Original Management Response

All the information provided by the auditor has been presented to the transit committee and council on several occasions since the implementation of the U-Pass program. The auditor states in his opening letter that "Our findings and conclusions are based on a comparison of the conditions as they existed at the time the auditors entered this area". At the time the auditor entered this area council had already vetted this issue on at least four occasions and had clearly decided that the U-Pass was beneficial to the city and the students. A plan to offset the loss in revenue was presented to council and approved. Council has recently approved a new 3 year agreement with the students of Laurentian University.

Actions taken, results and /or actions planned

The U-Pass program is no longer subsidized by gas tax grants. The contract is reviewed and approved by council as required. Council has recently approved the U-Pass program for Graduate Students of Laurentian University. Students from the School of Architecture will also be using the U-Pass program. Staff will provide a report to the operations committee in the new year ahead of the agreement renewal.

Recommendation 3

Additional information should be obtained for each Trans Cab ride so that Transit can verify the accuracy of monthly bills.

Fully or
Substantially
Implemented

Original Management Response

The RFP for Trans Cab has recently been awarded. Detailed reports will continue to be provided over the term of the contracts.

Actions taken, results and /or actions planned

Completed as recommended with assistance from Finance

Recommendation 4

An annual parts inventory count should be performed with the assistance of CGS Finance staff.

Fully or
Substantially
Implemented

Original Management Response

The issue of inventory will be considered and dealt with during the transition phase moving from two stockrooms to one at the new transit garage.

Actions taken, results and /or actions planned

Annual parts inventory has been and will continue to be performed with the assistance of CGS Finance staff as recommended.

Recommendation 5

Management needs to establish inventory count policies and procedures.

Fully or
Substantially
Implemented

Original Management Response

The issue of inventory will be considered and dealt with during the transition phase moving from two stockrooms to one at the new transit garage.

Actions taken, results and /or actions planned

All parts have been moved to the same inventory system as the Fleet division. Inventory policies, procedures and levels continue to be updated in preparation for the move to the Lorne Street facility.

Recommendation 6

Rebuilt or used parts should have a separate inventory part number and also be valued at the lower of the cost of rebuild, salvage, or net realizable value.

Fully or
Substantially
Implemented

Original Management Response

Likely not practical but will take the recommendation into consideration. In many cases we keep old retired buses for parts until there is no value remaining. Not sure that we should have to inventory every part of an old bus before even knowing if we are even going to use it.

Actions taken, results and /or actions planned

Rebuilt parts are valued and inventoried. There are still some occasions that we salvage parts from a retired bus.

Recommendation 7

Work orders should be completed for all work performed by fleet mechanics to facilitate cost and productivity management and the achievement of value for money in operations.

Fully or
Substantially
Implemented

Original Management Response

The current work order program was never used to determine productivity. The introduction of this recommendation will result in less productivity and would require more FTE's in order to get the paper work and physical work completed. All work performed by mechanics are covered under time slips. The transit fleet has an "A" classification as audited by the ministry. We will continue to perform our duties as we always have. When we join with fleet in the new building we can perhaps look at different fleet management systems.

Actions taken, results and /or actions planned

The transit garage is now on the same work order system as Fleet.

Recommendation 8

Work orders should be entered accurately and in a timely manner by the mechanics.

Fully or
Substantially
Implemented

Original Management Response

Work orders are currently entered by support staff. It would be unproductive to have mechanics perform this type of work

Actions taken, results and /or actions planned

A consistent work order system has been established for all Transit & Fleet garages.

Recommendation 9

Additional training is required for those responsible for ensuring all defects from the waybills are reported on the Daily Vehicle Defect Report.

Fully or
Substantially
Implemented

Original Management Response

All proper policies and procedures are in place to ensure that all defects are taken care of. No additional training is required

Actions taken, results and /or actions planned

All employees are trained on the process to properly report defects.

Recommendation 10

The Manager of Transit Fleet and Facilities needs to ensure that the semiannual safety inspections and the annual inspections are completed in the timeframe as regulated under Ontario Highway Traffic Act R.R.O. 1990. Regulation 611.

Alternative Action
Taken

Original Management Response

All safety inspections are completed within the time frame. This has been confirmed by the MTO.

Actions taken, results and /or actions planned

All safety inspections are completed within the time frame. This has been confirmed by the MTO.

Recommendation 11

Management should ensure that historical reporting functionality is achieved for the vast amounts of data being collected within the AVL system, and that the usefulness of this data in improving the value for money in operations is demonstrated.

Fully or
Substantially
Implemented

Original Management Response

The auditor's statements regarding the AVL system are inaccurate and as such no action is required.

Actions taken, results and /or actions planned

The reference to the historical data was not accurate. The AVL system continues to improve and provides valuable data to Transit Staff and Planner. Data has been received since 2009 and is used when reviewing routes, accident investigation, complaint resolution etc. The Avl system is also used to provide real time information to all transit customers.

Recommendation 12

In order to alleviate congestion at the downtown terminal, a review of the current facilities and alternatives such as additional hubs in the City, should be completed.

Alternative Action
Taken

Original Management Response

Additional hubs and alternative service delivery models have been tested in Sudbury and proven to be ineffective and unsustainable. Changes are being made to the transit terminal to provide better customer service as well as real time information. We have been reviewing the capacity of the transit terminal with our Asset Management department and will make recommendations for changes when required.

Actions taken, results and /or actions planned

The transit terminal will form part of the City's upcoming Asset Master Plan.

Recommendation 13

The needs of citizens must be considered in future route planning and analysis.

Fully or
Substantially
Implemented

Original Management Response

In 2011, transit has committed to performing route analysis, including public input sessions for some of the commuter routes. An analysis of the Lively route has already been performed and public feedback has already been obtained. Further route analysis will continue throughout the year.

Actions taken, results and /or actions planned

The needs of citizens are always taken into consideration when reviewing services. A new transit planner uses all information at his disposal including citizen feedback through public input sessions.

Recommendation 14

A formal program of route analysis activities, route planning policies and standards considering such things as ridership demographics, citizen needs and minimum ridership by route need to be established.

Partially
Implemented

Original Management Response

Accepting the auditor's recommendation will require more manpower to develop, implement and maintain these new policies and standards.

Actions taken, results and /or actions planned

Transit hired a Planner who will provide analysis of transit routes and will present a report to the Operations Committee regarding the process of rationalizing routes. Standards such as boarding counts form part of any route review and will be presented in the same report

Recommendation 15

Management should ensure that additional costs to acquire the passenger count data by stop should not be borne by Transit.

Alternative Action
Taken

Original Management Response

No additional funds have ever been required or paid.

Actions taken, results and /or actions planned

No additional funds have ever been required or paid.

Recommendation 16

Consolidated management of citizen feedback similar to the 311 system's Active Citizen Request system should be developed in order to identify opportunities for continuous improvement in satisfaction and value for money.

Alternative Action
Taken

Original Management Response

All public complaints are tracked and monitored acted upon and filed appropriately. The bulk of calls received are for information purpose only. "What time will the bus pass my house"? The remainder of calls is redirected to staff as business calls.

Actions taken, results and /or actions planned

Transit continues to track calls and has improved the availability of information to the public through the AVL system as the majority of calls continue to be schedule related.



Brian Bigger, CGA, CRMA

Auditor General for the City of Greater Sudbury