

APPENDIX A: Assessment and Comments - Status of Recommendation Implementation

Follow Up to the 2006 Audit of Surface Operations

Report's Recomm Numbers	Audit Recommendation	Management Response	Status Update / Comments as of July 23 07	Management response % Complete as of Aug 20 07	Auditor Response % Complete as of Aug 20 07	Follow-Up Audit Assessment and Comments
1	That the SAI visioning exercise be accelerated (without additional costs), particularly those actions which will have a direct impact on operational efficiency with a target implementation of 2007 for budget and cost savings/consolidation.	Managements agrees with this recommendation. Implementation priorities are financial accountability and operational planning. Detailed operations planning development workshops have been moved up to begin in December 2006. The objective is a long-term sustainable organization. Completion is expected in Q4 2007.	Completed. Operations Planning and Balance Scorecard (Performance Reporting) were advanced and are on track for completion in 2007.	50%	75%	Progressing well - Consistent with Branch management response, the Follow-Up Audit confirmed that the SAI initiative is currently drawing to a close.
2	That the Branch adopt an Enterprise wide Risk Management (ERM) approach to determining strategies, setting goals and developing action plans	Management agrees with this recommendation. The Branch's 2007 work plan includes both a strategic approach and priority setting to incorporate ERM approaches and techniques such as SWOT analysis (Strength/Weakness/Opportunities/Threats) and Risk/Impact assessments. The technology plan, stakeholder strategy, fleet plan, and 2008 work plan will also include these approaches to decision-making with completion in Q3 2007.	Completed See management response	100%	100%	Progressing well - The Branch developed a detailed Risk Identification and Response Plan for 2007. The 2008 version is currently being developed.
3	That the Branch develop annual plans which clearly identify the highest risks to the City, strategies to address, goals/milestones and action plans. Regular reports to senior management should document progress and identify any anticipated or realized obstacles or impediments to achievement of the annual goals.	Management agrees with this recommendation. This process is already in place, and is included in projects such as the technology plan, stakeholder plan, fleet plan, 2008 work plan, etc. This is scheduled for completion in Q4 2007.	Annual work planning framework has been established. As per recommendation number 2 - ERM is included Branch Management Team undertakes 2 formal reviews annually.	100%	100%	Progressing well - As mentioned for recommendation #2, the Branch developed a detailed Risk Identification and Response Plan for 2007. In addition, detailed Project Charters have been developed for major initiatives.
4	That the Branch create a Quality Assurance function for Roads, through the reallocation of existing resources, to provide checks and balances to the quality of road maintenance including appropriate preventive maintenance.	Management disagrees with this recommendation. Industry best practices clearly identify operational quality, effectiveness and efficiency as core management accountabilities. The Branch's approach is to put in place management skills as well as financial and operational planning, and management tools to ensure that staff is knowledgeable, capable, and empowered to manage these items. Performance Measurement and Business Services Unit has been established with the responsibility to conduct internal Competitive Service Delivery Reviews (CSDR) analysis and support the performance management requirements. Audit mechanisms are already in place through the office of the Auditor General. Comparative tools such as OMBI and MPMP are also in place to benchmark performance against other municipalities.	As part of the Strategic Alignment Initiative, a Performance Measurement and Business Service Unit has been established in the Surface Operations Branch. We believe the Performance Measurement and Business Services Unit will achieve the objectives of the Auditor General's recommendations by working with line managers and supervisors to embed a culture of critical review, continuous improvement, and financial accountability within the branch. This we believe, is a more inclusive approach in contrast to the detached (even if only perceived) function of "Quality Assurance" recommended. The Performance Measurement and Business Services Unit has initiated a process of implementing a Balanced Scorecard reporting system across the three divisions in the branch (Parks, Roads and Forestry). The scorecard is designed to get managers to focus on the critical success factors of their divisions especially as they relate to Customer Service, Programs and Services, Organizational Culture and Resource Management. The Performance and Business Services Unit aims to facilitate the introduction of many of the tools and techniques used in quality assurance, they include establishing service standards, benchmarking, peer reviews and the introduction of quality circles.	50%	10%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. While the Branch provided some evidence of planning for operational quality, effectiveness and efficiency as core management accountabilities, this plan will require the development of detailed Maintenance Standards, Standard Operating Procedures and Standardized oversight and reporting on work undertaken. We continue to believe that there must be increased effort devoted to the creation of Technical Standards and Standard Operating Procedures with an independent Quality Assurance assessment. Refer also to summary report. The development of such standards however requires highly qualified professional staff with significant support resources. The current Branch organization and multi-year staffing plan / work program provided by the Branch does not provide adequate resources to address this requirement. We did not see sufficient evidence of efforts towards determining, documenting and communicating methods of work which would ensure that all work is performed consistently across the City. The current metrics based on the 311 system, while useful in part, cannot replace the conduct of expert review of roads, parks and forestry asset conditions. It is recommended that until such time as Standards and Standard Operating Practices are developed, the Operations Research Unit be expanded to include an independent inspection and QA function. This will ensure that policies and procedures are developed based on highest need.

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			Further, the unit hopes to assist managers and employees at all levels to identify and share best practices across the branch, council or sector. Senior Management in the Branch is committed to providing the leadership needed for initiatives to enhance the quality programs and services we in the Surface Operations currently provide. Through the Performance Measurement and Business Services Unit, the Branch will actively participate in the Ontario Municipal Benchmarking initiative (OMB) MPMP and Corporate Accountability initiatives.			Background - Recently developed Branch Quality Assurance and Performance Measurement functions measure performance largely against 311 system records of public complaints and service requests as opposed to standards (as standards, other than snow clearing, and SOPs are generally not yet developed). Recent management actions offer very limited standards development and standard operating procedures (staff resources, training, quality assurance systems). At the same time, Area Managers and Supervisors do not have the time available to conduct regular, routine, thorough reviews of conditions to ensure standards are being met (not just work performed, but work required).
5	That the Branch initiate a weekly analytical reporting mechanism.	Management agrees with this recommendation. A process has already been implemented. Financial reports are being updated. Budget and cost accountability will be at the supervisor level, implementation anticipated for Q4 2007 and program accountabilities at zone service level area (supervisor level) for Q1 2008. Weekly operational meetings include a review of financials and service delivery metrics. Note that recommendations 5, 8, 10, 11, 24 and 25 are linked as part of the operations planning process and have some dependencies.	On track Financial reports have been updated to include year to date Budget and Actuals.	100%	100%	Progressing well - Two sets of Financial Reports - Management (MMS - a module of SAP)) and Corporate (SAP) are now being made available to zone supervisors and their subordinates. Recent re-alignment of service areas (zones) and other organizational trends, combined with the lack of financial tracking history (pre 2007) make reports valuable for activity resource tracking but do not allow for year to year comparisons critical to analysis of resource trends and '0' based budget development.
6	That the Branch re-engineer the planning and allocation of work so that all work is initiated by work orders issued by supervisors or other City staff (not the 311 system). Note that this will also facilitate the simplification of the accounting system.	Management disagrees with this recommendation. Work will be proactively planned and managed, and operational planning and accomplishment tracking is a major focus of current efforts. The Branch's work is activity-based not work-order driven. Work orders are created where individual cost tracking is required. Individual work orders for all of the Branch's work is not necessary and would create significant administrative inefficiencies. Individual work orders are created as required for specific work tracking.	Briefing Note will be required. As per management response.	0%	20%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. The intent of the recommendation does not appear to have been clearly communicated to management. The key point of this recommendation is that work be proactively planned and managed, not driven primarily by the notification (311) system. As long as the Branch plans their work, the method (e.g. work orders, spreadsheets based organizational tools and prioritization, paper-based systems, etc.) is not critical. It should be noted that work organization within a professionally driven organization relies on the development and application of standards. As described in Recommendation 4, the lack of standard operating procedures, maintenance standards as well as variability by maintenance zones in methods used to prioritize work all re-emphasize the need for the Branch to consider how work is prioritized, assigned and verified as being complete. The absence of a Branch "work-order" system currently results in zone supervisors (e.g. roads) developing individual work prioritization systems (written and verbal) or leaving the prioritizing of tasks to subordinates (Central Zone). In addition, zone managers indicate that no reports on 'work complete' are currently submitted except for verifying that 311 complaints/service requests have been addressed in a timely fashion. The allocation of work and reporting on work accomplished are considered essential to the orderly conduct of work needed to meet maintenance standards.

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Follow Up to the 2006 Audit of Surface Operations

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						Background - Recommendation #6 was made in conjunction with the following excerpt from the Audit Report. - If Maintenance Coordinators, Zone Supervisors and Managers were all required to prepare a regular report for their superiors it would increase accountability. Weekly reports, discussing both the past and upcoming week, indicating items such as the weather conditions past and forecast, overtime encountered, overtime anticipated and the reasons for each, accomplishments for the past week and plans for the coming week, hurdles overcome and anticipated, and the status vis-à-vis goals for the season would provide a tracking and monitoring tool. These reports would also force coordinators and supervisors to justify decisions for overtime etc. to their managers as well as keep their superiors informed of the work being achieved. These reports should be of a narrative and analytical nature, not just statistical; they should explain why decisions were made or why plans stated in the previous report were not accomplished.
7	That the Branch conduct complete process mapping, develop and implement standard operating procedures.	Management agrees with this recommendation and it is already in progress. This is being implemented in phases based on an assessment of risk and opportunity associated with each process, which will be determined in 2008.	On track	5%	5%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. We concur with management that a bottom up budget process cannot be completed until the operational planning functions are implemented (to provide a better understanding of true activity costs). While the Branch has made great strides at advancing management controls and supports, these advancements have been developed with limited consideration of best practices and maintenance standards. The reliance on public complaints and services requests (311 system) as the basis of the current performance measurement system, while a good first step, is a concern. There is lack of standards knowledge expressed by interviewees, uncertain timelines for development of technical standards and very limited number of professional positions provided for the development of technical standards and oversight of quality assurance analysis. The Branch requires a strong technical standards group who are able to articulate and implement through policy development and implementation effect objective standards for all aspects of
8	That SOP re-engineer their approach to planning work so that the Notification system is a complement to a systematic approach based on routine maintenance, road patrols and preventative maintenance.	<i>Management Response Surface Operations</i> Management agrees with this recommendation and it is already in progress and is expected to be completed by Q4 2007. <i>Management Response Information Technology Services</i> Management agrees with this recommendation. Working together with PWS, ITS can change and implement work orders, preventative maintenance and other functions to assist with planning, as described by the audit. The assessment of the time and cost to implement this will be undertaken starting in Q1 2008.	<i>SOPS Comment:</i> On track	25%	25%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. The IT component should be followed closely to ensure a cost effective approach is taken; that is to ensure that the Branch uses technology where feasible to enhance planning activities. It is evident that some significant progress has been made in the inter-departmental coordination of work. However, the continued lack of a Surface Operation Branch work organization system to identify minimum preventative maintenance activities and evidence of significant variations in work prioritization systems substantiate the view that much additional work continues to be undertaken in this area.

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9	That the Director SOP, the Director of IT and the Manager of the 311 Call Centre work to improve the ability of the Call Centre and related system to facilitate the work of the SOP staff responding to Notifications	<p><i>Management Response from Surface Operations</i> Management agrees with this recommendation and work is already in progress.</p> <p>The inquiry and notification process is being re-engineered in conjunction with the 3-1-1 Call Centre and ITS staff in Q4 2007. As an interim measure until the results of the re-engineering effort are fully implemented, an operations clerk has been dedicated to work on facilitating notifications, processing and tracking.</p> <p>In addition, measures are being taken to provide the public and other stakeholders with improved information to proactively satisfy service and information requests. Examples of these proactive measures include: general training on Surface Operations services to all of the Client Service Centre staff; specialized training on items of interest to the rural community to "Rural Champions" in the Call Centre; updates and enhancements information appearing on the City's website; and implementation of winter parking e-alerts that notify registrants of winter parking restrictions via automated email alerts.</p> <p><i>Management Response from CSPI</i> Management agrees with this recommendation.</p> <p>Management will continue to work with Councillor's offices to request that they use 3-1-1 to forward service requests to all operating departments.</p> <p><i>Management Response from ITS</i> Management agrees with this recommendation.</p> <p>Working together with PWS and the 3-1-1 Call Centre, ITS can improve and enhance the integration and data sharing/transfer between Request for Service and SAP, at an estimated cost of \$450,000. The business case for this project will be submitted to the Value Assessment Program and will be prioritized along with other Corporate IT requirements. It is anticipated that this project can be initiated in Q1 2008</p>	<p><u>SOPs Comment:</u> On track Inquiry management procedures have been developed and piloted and are scheduled to be implemented across the Branch by the end of September 2007. Network performance issues at the Bloomfield Yard have been addressed.</p> <p>The Daily/Weekly/Monthly work scheduling process will be re-engineered and optimized as part of the Operations Planning implementation and are scheduled to be completed prior to the end of the year.</p> <p>Senior Operations Clerks have been trained in the 311 application (MAP) used to create service requests. SOPs Branch will explore opportunities to have Branch staff input Notifications directly into the MAP system.</p>	70%	70%	Progress has been made in this area, although full implementation will be dependent upon ongoing measurement of 311 ability to respond effectively to service requests/complaints. At this time Surface Operations Branch conducts semi-annual training events with 311 system staff to educate them on Branch activities at to provide greater standardization of 311 system write-ups / notifications.
10	That accomplishment units be redesigned to measure quantities which the department should be monitoring to meet best practises for their industry.	<p>Management agrees with this recommendation and it is already in progress.</p> <p>Accomplishment units are being updated as part of the comprehensive operations planning initiative. Financial reports are being modified to include reporting of accomplishment units by activity, all scheduled for implementation in Q4 2007.</p>	On track	25%	15%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. Only limited evidence was provided to indicate that work units were being reported (through staff activity sheets) and measured against industry best-practices. The lack of standard operating practices / best-practices knowledge, the lack of professionals assigned to guide standards development, and the prolonged timeline being followed to develop same are of concern.

APPENDIX A: Assessment and Comments - Status of Recommendation Implementation

Follow Up to the 2006 Audit of Surface Operations

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11	That, for the year 2007, an extremely simplified, streamlined budget be prepared for the Branch. This budget should roll up from the bottom as opposed to the current roll down from the top and should be focused on the information that managers need to make financial decisions.	<p><i>Management Response from Surface Operations Branch</i> Management agrees with this recommendation.</p> <p>Simplification of management reporting is underway. Some bottom-up analysis has been completed; however complete bottom-up budgeting is not feasible until operational planning functions have been implemented. This will be implemented in Q4 2007.</p> <p><i>Management Response from Financial Services Branch</i> Management agrees with this recommendation.</p> <p>The 2007 budget will be developed at a sufficiently detailed level to reflect the decision-making structure of the organization and summarized for the corporate budget presentation. The audit suggested the need for a greater level of detail for SOP operations. Changes were initiated in 2006 through the Branch's SAI Project to develop and monitor the budget within their Maintenance Management System (MMS) at a zone and activity level, accessible by Supervisors, Area Managers and Managers.</p>	Per management response	<p>1) <u>Budget</u> 100% all Divisions at the cost centre financial level</p> <p>To the activity level: Parks 100% Forestry 100% Roads 70%</p> <p>2) <u>Actual</u> 100% all Divisions level/zone reporting</p> <p>3) HRIS 100 % all Divisions</p>	80%	<p>Progressing well. Full implementation of a bottom-up, or zero base budget was not possible due to the lack of information required. It will be dependent upon the completion of operational planning and related zero-based budgeting. We concur with management that a bottom up budget (zero based) process cannot be completed until the operational planning functions are implemented (to provide a better understanding of true activity costs). It should be noted that zero-based budget preparation is most effective in a management regime which provides for the identification, prioritization and allocation of work and requires reporting on work units accomplished. As systems which provide for work unit identification, management, supervision and tracking are still being developed , the use of zero-based budgeting will take a number of years to put into place.</p>
12	That the SOP budget not be increased until SOP has a good understanding of their financial situation.	<p>Management disagrees with this recommendation.</p> <p>The budget, and Branch operations and services will be reviewed in a manner prescribed by Council to be established through the Budget Directions.</p>	<p>Briefing Note will be required. SOPS Comment: Per management response.</p>	Waiting for AG review	n/a	<p>Progress has been made in this area, although full implementation is dependent upon the completion of operational planning and related zero-based budgeting. Consistent with the 2006 Audit findings, the development of zero-based budget processes are required to develop a Branch budget founded on work standards and standard operating procedures. At this time the Branch estimates that zero based budgeting will be available for Council's consideration by 2009 to 2011.</p> <p>Background - Much of the 2006 Audit focussed on the lack of relevant and complete financial and HR information for all levels of management and supervisors within SOP. Great strides have been made in this area, however, it is still premature to determine the value of savings which will be achieved based on the SAI initiative and other efforts to increase efficiencies, such as operational planning. As a result, the known amounts of expenditures which can be redeployed is not yet known. At the same time, some expenditure will be required for specific short term initiatives to implement some audit recommendations and to address some areas which are currently below City standards.</p>
13	That the SOP budget not be increased while the Branch refines the manner it which it formulates its budget requests and redirects existing funds to programs which do have a strategic plan and related specific budget, specifically the Forestry program.	<p>Management disagrees with this recommendation.</p> <p>The budget, and Branch operations and services will be reviewed in a manner prescribed by Council to be established through the Budget Directions.</p>	<p>Briefing Note will be required. SOPS Comment: Per management response.</p>	100%	n/a	See comment to #12 . No further comment as 2008 budget documents have not been prepared.

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14	That the entire activity sheet/data entry process be reengineered, to provide the necessary financial and payroll information within the SAP system.	Management agrees with this recommendation. The activity sheet is being reviewed as part of the Strategic Alignment Initiative Performance Management in Q1 2008. Once the Branch's performance measurement and management framework is developed, the activity sheet and associated data collection/entry processes will be re-engineered to ensure the necessary information is captured and entered efficiently. As an immediate measure, to better utilize data that can already be entered into the system, the Branch is incorporating accomplishments by reporting on a number of key operational reports to improve the information available for operational decisions.	On track Surface Operations staff are also proactively investigating technology options that may be available to facilitate this process. Specifically, capabilities available through the pending SAP upgrade and the City's document management system roll-out show significant promise.	30%	25%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. There is ample evidence that activities associated with this recommendation are well underway. Area managers and supervisors consistently reported the use a revised Activity Sheet / Payroll System which provides for direct supervision and sign-off of daily work, with administrative support personnel having been restored to area garages to provide for electronic input and delivery of detailed activity tracking and payroll information. Decentralization of Operations Clerks into the field facilitates the gathering of data and greatly improves efficiency and accuracy.
15	That employees be equipped to key in accomplishment levels electronically to avoid travel costs, and duplication of effort; and that checks and balances be built into this system to all for verification of hours works, etc. by the site supervisor and district manager.	Management agrees with this recommendation. As an immediate measure, the administrative staff have been decentralized to field locations allowing for support closer to those who need it. This minimizes redundancy and eliminates the vast majority of travel costs associated with the delivery of activity sheets to headquarters. Checks and balances already exist, within the system, to ensure that supervisors approve all activity sheets. As part of the activity sheet re-engineering effort identified in Response 15, electronic means of having field staff enter time and accomplishments with appropriate checks and balances will be considered in the future.	Completed	100%	50%	Progress has been made in this area, although reallocation of funding is required for implementation of the technology. There is evidence that activities associated with this recommendation are well underway. Area managers and supervisors consistently reported use of a revised Activity Sheet / Payroll System which provides for direct supervision and sign-off of daily work, with administrative support personnel having been restored to area garages to provide for electronic input and delivery of detailed activity tracking and payroll information. However, the concept of entering the data directly in the field by the crews (through PDA's, laptops, etc.) must not be lost. As noted in management response it should be considered as part of the activity sheet re-engineering effort.
16	That, in conjunction with the proposed simplified budget system, Zone Supervisors receive current, accurate financial reports indicating the actual expenditures as well as the budgeted amounts	Management agrees with this recommendation. The supervisor report currently includes only cost and is being updated to include budget figures. This will be implemented by Q3 2007.	On track The Surface Operations MMS system has been enhanced to provide actual vs. budget reporting to the Zone activity level. Zone supervisors in Parks and Forestry are receiving actual expenditures vs. budget reports. Roads is developing their activity budget, which will be loaded into the MMS once it is available. It is anticipated that this will be completed by mid-September. This reporting rolls up to the Area and Division level. Due to the Branch's significant organizational restructuring that is being implemented during the two seasonal transitions, budget vs. actual reporting will not be completely aligned in all areas for the remainder of 2007. However, all measures put into place will be accurate and current for the 2008 fiscal year.	100%	75%	Progressing well. As noted in Management's Status Update, some reports do not have 2007 budget information as a result of the restructuring. These reports are on track for 2008 fiscal year.

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Follow Up to the 2006 Audit of Surface Operations

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17	That any cut-backs proposed to Council during budget deliberations clearly state if they will have an impact on both Service Levels/City Standards and/or condition of Infrastructure (e.g. deterioration from lack of maintenance).	<p><i>Management Response from Infrastructure Services Branch</i> Management agrees with this recommendation.</p> <p>Through the LRFP process, investment levels are identified to maintain the City's infrastructure assets. In the case of roads, the level of investment identified in the LRFP is to maintain the overall network at current levels (i.e. approximately 20% in need of resurfacing or reconstruction). When approved budget levels are less than the needs identified in the LRFP, as has been the case in previous years, over time this results in further deterioration of the overall network condition and increases the pressure on the operating budget. As part of the City Corporate Plan, the Infrastructure Services Branch (ISB) is required to define service levels for municipal infrastructure. Once completed in 2007/08, this will provide an ability to create more direct links between funding levels and impacts on service levels.</p>		75%	n/a	Not possible to confirm progress at this point due to nature of recommendation.
18	That Council be advised on the annual operating cost increase required or savings anticipated when considering major capital decisions.	<p>Management agrees with this recommendation.</p> <p>Growth in the transportation network has a significant impact on operating costs. Growth information is tracked by ISB and provided to SOP so that this can be reflected as an operating pressure as part of the annual budget process.</p>	<p><u>Infrastructure comment:</u> Data Collection is ongoing.</p>	100%	n/a	Not possible to confirm progress at this point due to nature of recommendation.
19	That the Director SOP and the Director Employee Services, or their delegates, work together to develop basic routine monthly reports to facilitate management of SOP staff.	<p>Management agrees with this recommendation and this process has already been initiated.</p> <p>Staffing coordinator position, established through Strategic Alignment Initiative, will facilitate the implementation of these measures in Q4 2007.</p> <p><i>Management Response from Employee Services</i> Employee Services will meet with Surface Operations staff to review the HR reports already available through SAP-HR, to assist in managing human resources. As well, Employee Services will ensure that Surface Operations staff is able to access the HR information required to manage their staff.</p>	<p><u>SOPS Comment:</u> On track As part of the Branch's Performance Measurement Framework, the Branch is developing metrics for reporting, tracking and management purposes. Regular management reports are being provided to the branch from Employee Services.</p>	65%	100%	Progressing Well - There is ample evidence that activities associated with this recommendation are well underway. Technical Services Branch have created and filled a new position (Administrative Services Unit Program Manager) with a former Employee Services employee who is very familiar with SOP operations. New reports have been developed and are continuing to be improved. Basic reports have been developed with continued improvements a priority now that Technical Services Staff have been hired to perform this function.

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Follow Up to the 2006 Audit of Surface Operations

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20	That SOP develop and implement standard policies and procedures to reduce both routine "overtime" work and on-call work of Supervisors and Maintenance Coordinators. Consideration should be given to changing shift start and stop times, as well as sharing on-call responsibilities among two or more yards.	Management agrees with this recommendation and process has already been initiated. For example in Parks, each Area Manager places one Supervisor on call to handle after hour emergencies across their entire district. They do not put someone on call for each work unit. They also assess the call to see if it is truly an emergency or if it can wait until the next workday so as to avoid the overtime cost of responding to the call. There is little non-discretionary overtime worked in the Branch. The Roads Division has also implemented a no overtime payment procedure for the 6th & 7th day worked on 24/7 City core shift, which brought forth a saving of \$165,000. Also the start time for night shift has been changed to 10:30 p.m., which allows regular hour coverage for morning rush hour, therefore reducing overtime costs. The Branch continues to move forward with new initiatives and will finalize in Q4 2007.	On track Written overtime policy has been implemented. Overtime costs continue to reduce.	100%	50%	Progress has been made in this area, although several Supervisors and Maintenance Coordinators continue to have significant overtime. One instance was noted of Supervisor with \$16,000 OT in first half of 2007. Overtime reports are now prepared quarterly (or as requested). The general situation is being investigated by the Roads Manager to determine differences and develop policies and procedures to ensure consistencies.
21	That SOP develop and implement standard policies and procedures to reduce both routine "overtime" work and on-call work be scheduled	Management agrees with this recommendation. New policies and procedures, such as the alternative shift arrangements for 24/7 coverage in the downtown area and the shift start time procedures were implemented on November 15, 2006 for the 2006 / 2007 winter season. These measures have already resulted in a \$200,000 reduction in overtime costs. The Branch continues to work in developing and implementing policies and procedures to reduce costs incurred with overtime and on-call work. The Branch manages its overtime in accordance with the draft Corporate Overtime Policy.	On track Written overtime policy has been implemented. Overtime costs continue to reduce.	100%	85%	Progressing well - Note this recommendation refers to OT for staff. Overtime reports now prepared quarterly or as requested by supervisors. The next step will be to have written explanations on why overtime was approved and to analyse / track records for trends which can be used to optimize standards and operations planning. Limited records provided during the audit do not allow for comparative assessment of overtime from previous years. Area Managers verbally report that overtime usage is down, is well managed and results in off-setting uses of TOIL in lower work demand periods.
22	That SOP explore new and innovative staffing schedules to optimize staff costs and productivity including 7 day shifts, 3 shifts per day, staggered shifts, shared on call, etc.	Management agrees with this recommendation and it is already in progress. Assessment and implementation of timelines are being determined.	On track	100% Forms part of Operations Planning	25%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. Following the 2006 Audit, the Branch implemented significant changes to shift structuring as a mean of optimizing roads maintenance and to reduce overtime and time of in lieu of Overtime
23	That SOP calculate whether they have the best complement of full-time workers to optimize the use of overtime and salaries.	Management agrees with this recommendation. The operational planning initiative in Q1 2008 will enable the Branch to better quantify resource needs to meet service demands. This will be compared with available staff time, overtime utilization, productivity improvement opportunities, contracting mix, and alternative service delivery options to identify the best complement of full-time workers for the	On track Operations Planning Framework includes detailed resource loading requirements.	40%	25%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. L3See Recommendation #22

APPENDIX A: Assessment and Comments - Status of Recommendation Implementation

Follow Up to the 2006 Audit of Surface Operations

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24	That SOP streamline/reduce the management levels of the organizational structure and redeploy redundant personnel into other areas identified in this report (e.g. road patrols).	<p>Management agrees with this recommendation and it is already in progress.</p> <p>The Strategic Alignment Initiative Program has initiated a project that forms part of the Transition Manager's Responsibility, where a team has been created to review the supervisory alignment and number of operational units. The work is currently underway working towards completion for Q4 2007.</p>	On track	100%	50%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. Many resource have been redeployed from vacant positions to newly created positions (e.g. Operations Clerks, Operations Planners, Technical Services Division). A reorganization of Forestry Services is planned. The organizational structure plans for streamlined organizational structure and improved allocation of personnel. However, there has not been a study to assess the feasibility of reducing the layers of management and supervisory positions.
25	That SOP calculate how many person years are lost to the Time Off in Lieu (TOIL) policy and determine whether they are hiring sufficient full-time, part-time or temporary workers to optimize costs given lieu time leave and vacations.	<p>Management agrees with this recommendation.</p> <p>The amount of TOIL accumulated annually is available through SAP. The analysis is estimated to be completed by Q1 2008. There is no provision for backfilling for staff during short-term absences. The Branch does make use of temporary staff, students and contracted services to supplement the work of full time staff.</p>	On track	65%	50%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. While Surface Operations managers indicate that changes to shift structures have provided for reduction in Overtime and Time off In Lieu, no evidence was provided to corroborate this sentiment. New systems have been developed to allow for the regular dissemination of information on Overtime to area and front line managers. Staff comment the provisions of the existing union agreements provide little opportunity for managers to require TOIL to be taken, and offer employees the ability to cash out any Overtime banked at the employee's request. Managers consistently expressed the view that the amount of Overtime paid was not a difficulty and that the TOIL provisions were such that most front line workers preferred TOIL to cashing out Banked Overtime.
26	That SOP schedule vacations outside peak work seasons	<p>Management agrees with this recommendation and it has already been completed.</p> <p>Vacation leave is to be taken at a mutually agreeable time and every attempt is made to schedule vacations during non-peak periods. It must be recognized that most wage staff in SOPS are multi-tasked and cross-trained to provide maximum flexibility in meeting peak work demands. For example, staff will work in roads on snow clearing operations during the winter and in parks or traffic during the summer. This results in very little non-peak periods for these staff. Work units generally ensure that the number of staff off on vacation leave at any one time is minimized to ensure that the required work can still get done. Also, during the peak holiday season (i.e. summer) students and contracted services are available to supplement the full time staff.</p>	Completed	100%	50%	Progress has been made in this area, although full implementation is dependent upon the completion of operational planning. Operational Planning work should identify workload requirements on a monthly basis. This will form the basis of determining minimum staffing requirements, in particular at peak times. Management now has a better understanding of the intent of this recommendation.

APPENDIX A: Assessment and Comments - Status of Recommendation Implementation

Follow Up to the 2006 Audit of Surface Operations

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27	That Senior Managers, Zone Supervisors and Maintenance Coordinators receive additional training in basic management skills and become more active in industry associations (e.g. Ontario Good Roads Association) to foster knowledge of Industry Best Practises.	<p>Management agrees with this recommendation.</p> <p>Through the Investment in People project of the Strategic Alignment Initiative Program, a training program has been established for Crew Leaders, Maintenance Coordinators and Supervisors. The guidelines for enrolment and course content are presently being reviewed by Labour Relations, Human Resources and the Corporate Learning Centre, with an expected completion in Q4 2007.</p> <p>The Branch is continuously pursuing new initiatives and opportunities for staff training. At the senior level of the Branch, the Management Team has identified a Succession Planning project in its 2007 Branch Work plan.</p>	<p>Employee Services Update: As of June 7, 2007, Surface Operations supervisors have participated in the following training: 1 session of Bias Free Interviewing and Selection (11 participants); 2 sessions of Supervision 101 (30 participants) and managers participated in 1 session of Best Practices in Municipal Business Planning (20 participants). The Learning Centre Consultant responsible for management training has consulted with the Director of Surface Operations regarding future needs and they will work collaboratively to provide appropriate training support.</p> <p>Surface Operations Comment: On track. In addition to the above-noted training, Managers are now part of the Ontario Good Road Association (OGRA), the American Public Works Association (APWA), the Ontario Professional Forestry Association (OPFA), etc. Extensive involvement, membership and utilization of the Associations is occurring.</p>	100%	85%	Progressing well - Evidence was provided to document substantive changes being made to require training, licensure and/or experience in order for staff to be assigned to more complex work. This change, being implemented at the time of the follow-up audit, relies heavily on internal training provided by City of Ottawa. Given the significant loss in technical competencies of senior staff through the amalgamation process, the value of seeking external sources for best practice training remains a goal of the original audit recommendation for managers and front line staff involved in complex work assignments (grading, culvert road base tapers, Book 7 road closures, etc.). Performance appraisals are currently being developed for Zone Supervisors and Crew Leaders (they did not exist). Once approved by CUPE503, these will be implemented and should facilitate monitoring of these staff to determine training requirements. Also refer to Recommendation # 28.
28	That a training budget be reinstated to a level which will ensure a continued skilled workforce	<p>Management agrees with this recommendation.</p> <p>Current initiatives, which have been undertaken for example is the development of a Crew Leader, Foreperson and Supervisor Training Program, which will be used as a succession planning mechanism. This will ensure corporate memory and field experience is transferred to junior employees that are being groomed to replace retiring Supervisors. Job descriptions will be created that will set criteria for participation in the training program and will recognize the increasing requirement for technical knowledge, financial accountability, operational planning and ability to deal with human resource issues</p>	Crew leader training program has been finalized and is moving into implementation phase.	90%	100%	Progressing well - See Response to recommendation # 27.

APPENDIX A: Assessment and Comments - Status of Recommendation Implementation

Follow Up to the 2006 Audit of Surface Operations

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		<p>Training programs are being set-up for each level in the supervisory structure to match the duties outlined in the job descriptions. Courses are provided through a combination of internal corporate training initiatives and external experts or organizations that specialize in activities related to Health and Safety or roads, parks or forestry maintenance. Participants in the training programs will be teamed with an experienced supervisor/manager to monitor performance and mentor the individuals on the expectations for each successive step in the structure.</p> <p>Each candidate in the training program will have to complete all phases of the training and demonstrate the ability to put the training into practice before they will be considered for advancement to the next level supervision. This practice should ensure that promotions are based on merit and a proven ability to perform the increasingly complex requirements of the field supervisors. Management Level Training with organizations such as OGRA, APWA, etc. have also been initiated. Training priorities will be identified during the 2008 budget.</p>	<p>Employee Services Comment: The Learning Centre Consultant responsible for corporate management development has contacted the Director of Surface Operations to discuss learning needs. Where the learning needs are of a corporate nature, The Learning Centre will continue to work cooperatively with Surface Operations to provide appropriate learning solutions within the budgetary reality of The Corporate Learning Centre.</p>			
29	That, Branch resources be redirected so that Road Patrols are reinstated in accordance with the City's standards.	<p>Management agrees in principle with this recommendation.</p> <p>In May 2003, a report was brought forward to Council recommending (8) FTEs to enable Service Operations to increase road patrol capacity with the objective of meeting road patrol guidelines, however this recommendation was not approved. Furthermore during the 2004 Universal Program Review cuts, \$1.042M associated with road patrol on collector and residential streets were cut from the Surface Operations Branch budget.</p>	<p>Review is underway. Branch is currently working on the feasibility of redeployment of vacant FTE's to Road Patrols within existing budget.</p>	70%	20%	<p>Progress has been made in this area, although the Road Patrols have not been reinstated. Branch activities on Road Patrols are limited to higher level roads only (Road Classifications 1 and 2) although some sub-zones report tracking road conditions and problems with non-supervisory staff. While the Branch decision to restrict Road Patrols to higher order roads is linked to a single risk management analysis report which was addressed to Council, and not an over-arching ERMA. Obligations for patrolling of roads provides under legislation are very limited, and in lieu of reinstatement of road patrols (per original audit) the Branch is considering other reasonable means of addressing legislative obligations, including the recording of work conducted by regular crew activity, the establishment of road patrol activity sheets being tacitly conducted by existing crew activity, etc.</p> <p>Further research will be conducted in early 2008, with the intent of re-introducing Road Patrols. As discussed in the original audit report, the auditors strongly recommend that the Road Patrols be conducted by non-union staff members with direct reporting to either the Director or Technical Services Branch. Vacancies in supervisory positions (Maintenance Coordinators, Crew Leaders, Zone Supervisors) are being considered for redeployment to Road Patrols. Refer also to summary report.</p>
30	That the Branch develop a Public Tree bylaw and Best Management Practices bylaw (Community Forests).	<p>Management agrees with this recommendation.</p> <p>Municipal Trees and Natural Areas Protection By-law 2006-279 was approved in July 2006 and implemented on September 1, 2006. In 2007 a Resource Management Plan for the South March Highlands is under development with subsequent 20-year plans identified for updating as they expire, i.e. Marlborough Forest in 2010.</p>	On track	100%	100%	<p>Progress has been made in this area, although reallocation of funds will be required to fully implement the by-laws and Resource Management Plans.</p>

APPENDIX A: Assessment and Comments - Status of Recommendation Implementation

Follow Up to the 2006 Audit of Surface Operations

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31	That the Forestry Division develop long terms goals and implement in an Urban Forest Management Plan with a goal to replenish Older City trees with new stock factoring in disease and pest resistant species	Management agrees with this recommendation. A five year Trees and Forests Maintenance Strategy was approved by Council in October 2006 with funding deferred to the LRF in 2008. Life cycle trimming was initiated in 2006 and will continue in 2007 in the areas of highest priority, such as those were sensitive marine clay is known to exist to maintain existing trees and the City's tree planting programs will continue to replace trees as they reach the end of their life cycle with species and location appropriate replacements pending priority setting and budget approvals.	Completed Pending Council approval of funding envelopes.	100% completed, however cannot be implemented due to no funding	100%	Progress has been made in this area, although reallocation of funds will be required to fully implement the Urban Forest Management Plan.
32	That the Branch adopt a tree management system, including a complete tree inventory, ensuring that the system has adequate input, storage, query (for forest management planning) and reporting capabilities including mapping that tie in with the corporate wide GIS if possible.		Completed Pending Council approval of funding envelopes.	100% completed, however cannot be implemented due to no funding	100%	Progress has been made in this area, although reallocation of funds will be required to fully implement the technology available and used by several other Ontario municipalities.
33	That the City explore options to consolidate tree trimming with Hydro Ottawa in order to ensure that trees trimmed for hydro lines are not damaging the life expectancy of the tree.	Management agrees with this recommendation and the work is already in progress. The initial meeting was held to review the operations, roles and responsibilities. Arboriculture specifications have been exchanged for comment and the review of professional content. In 2007, management staff will be pursuing the development of common technical documents. City operations staff will work with their counterparts to maintain consistency in their respective trimming operations and to explore new initiatives such as working cooperatively to plant replacement trees.	Ongoing	100%	50%	Progress has been made in this area, although an informal review of Ottawa Hydro recent trimming indicates that past practises are continuing We suggest that these discussions be accelerated. This will require the strong support and direction by Council to both parties to resolve different interpretations between the groups of safety vs. appropriate maintenance. For example, if Ottawa Hydro must continue to weaken the crowns of the trees through trimming, they should install cables to vulnerable City trees to compensate.
34	That the Forestry group develop guidelines and a public awareness campaign for both the public, developers and other municipal departments to promote new tree plantings that are of a variety more suited to the local climate and soil conditions (develop better growing stock able to withstand increase pressure from changing climate).	Management agrees with this recommendation. Forestry Services 2007 work plan includes an increase in internal/external communication and will focus on completion for Q4 2007. Target audiences have been identified i.e. By-law Services, Infrastructure staff, Development Approvals (internal) and local community associations and forestry interest groups (external). Arboricultural and forestry technical information will be consolidated and formatted in conjunction with other Surface Operations Branch initiatives.	Ongoing	30%	50%	Progressing well - Reviewed document summarizing recommended trees for different locations (e.g. arterial roadways, marine sensitive clay) within the City. We suggest these be posted on the municipal website and that, in addition to the groups mentioned, the public at large be directed to them as appropriate through various communications.

APPENDIX A: Assessment and Comments - Status of Recommendation Implementation

Follow Up to the 2006 Audit of Surface Operations

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35	That Fleet Services management review its practices pertaining to preventative maintenance and off season storage with a view of optimizing the life span of the equipment.	Management agrees with this recommendation. Work is already in progress as part of Strategic Alignment Initiative Facility rationalization plan. The implementation team will include representation from Fleet Services to assess maintenance impact of inside storage versus outside particularly during winter season. The Branches will work together in Q3 2007 to ensure the respective accountabilities optimize the lifespan of the equipment.	Completed Council approved Surface Operations Branch Facility Rationalization and Consolidation Plan (ACS2007-PWS-SOP-0003), pending approval of IPD memo tabled for the September 5, 2007 Transportation Committee meeting.	100%	100%	Progressing well - The Facilities Rationalization and subsequent implementation has addressed/will address the storage and maintenance of the fleet. In addition, this item should be reviewed as part of the Follow-up Audit for Fleet Services.
36	That Surface Operations identify dedicated resources to direct minimum standards to be met in tendering and to coordinate and track maintenance and replacement of vehicles; and that such staff resources be supported by ongoing training on current industry practice and governmental standards related to vehicle and equipment function and purchasing.	<i>Management Response from Surface Operations Branch</i> Management agrees with part of this recommendation. The Surface Operations Branch has dedicated a position to provide Fleet with a single point of contact for acquisition requirements. This position will also be working with Fleet Services on the development of a fleet equipment asset management strategy. <i>Management Response from Fleet Services Branch</i> As a Center of Expertise, Fleet Services has the responsibility for planning, acquisition, disposal and replacement of vehicles. As outlined in the Service Level Agreement (SLA), the operator (Surface Operations) is responsible for identifying operational requirements outlining what the equipment is required for. Fleet Services take that information and develops specifications to meet those requirements based on the City of Ottawa's purchasing By-law. Fleet's role is to understand client requirements and provide them with equipment to meet the minimum operational requirements in a cost effective manner. Management does not agree with the part	<i>SOPS Comment:</i> On track Surface Operations and Fleet Services have reengineered the acquisition process and the new process has been implemented. The process has resulted in improved decision making and prioritization in this year's acquisition plan. Operations Planning, once implemented, will provide additional information needed to make more strategic and longer term acquisition decisions. Staff turnover in the dedicated fleet position in Surface Operations has temporarily delayed work on the Branch's equipment strategy. Consulting resources have been engaged to provide temporary capacity to support "in flight" acquisitions. It is anticipated that work on the equipment strategy will not resume until late 2007 or early 2008. Briefing Note will be required.	100%	85%	Progress has been made in this area, although Surface Operations is finding it difficult to recruit qualified staff to the position As a result, the communication of the Branch's operational requirements are not always conveyed effectively to Fleet Services. SOP is making efforts to fill this position with qualified permanent personnel.
37	That the truck bodies be placed on a re-habilitation program that would see them inspected, sand blasted and re-painted as the rusting begins to appear.	Management disagrees with this recommendation. Fleet Services does not perform any cosmetic repairs for rusting, as it does not affect the operation of the vehicle. The condition of vehicle bodies is monitored as part of the annual inspection program. Structural repair is done when the vehicle does not meet the Ministry of Transportation requirements. Rusting is normally repaired if it is assessed that the rust will shorten the life of the vehicle. Cosmetic repairs are not done as a matter of course due to the additional cost.	Briefing Note will be required.	100%	100%	Progressing well - Rationalization of Surface Operations garage facilities is reported to have improved the ability of road maintenance crews to provide fleet vehicles with improved storage and maintenance activities.

APPENDIX A: Assessment and Comments - Status of Recommendation Implementation

Follow Up to the 2006 Audit of Surface Operations

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38	That salt / sand spreaders (and other major equipment not in use seasonally) be washed, lubricated to prevent corrosion of the connections, electronics, conveyor systems and moving parts and mothballed during the off season.	Management agrees with this recommendation. Washing, lubricating and off-season storage is an operational task and is part of regular seasonal changeover.	Completed. Already part of regular maintenance.	100%	100%	Progressing well - Rationalization of Surface Operations garage facilities is reported to have improved the ability of road maintenance crews to provide fleet vehicles with improved storage and maintenance activities.
39	That indoor storage be considered to keep single season units out of the weather until required; or that other provisions for secure mothballing of equipment be provided.	Management agrees with this recommendation. This will be considered as part of the facility rationalization project currently being undertaken as part of the Strategic Alignment Initiative, completion in Q3 2007.	Completed Council approved Surface Operations Branch Facility Rationalization and Consolidation Plan (ACS2007-PWS-SOP-0003), pending approval of IPD memo tabled for the September 5, 2007 Transportation Committee meeting.	100%	100%	Progressing well - Rationalization of Surface Operations garage facilities is reported to have improved the ability of road maintenance crews to provide fleet vehicles with improved storage and maintenance activities. It should be noted however that the follow-up audit did not repeat the inspection of maintenance yards to verify changes to equipment storage practices.