



ABERDEEN

CITY COUNCIL

Internal Audit Report

Communities, Housing & Infrastructure

Vehicles

Issued to:

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Pete Leonard, Director of Communities, Housing & Infrastructure
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EXECUTIVE SUMMARY

The Goods Vehicles (Licensing of Operators) Act 1995, requires that Organisations who are in possession of an Operator's Licence (O-Licence) adhere to certain rules in the management of their Fleet, including maintenance requirements to ensure vehicles are in a road worthy condition and are safety checked. Compliance with the act and terms of the licence are monitored by the Driver and Vehicle Standards Agency (DVSA). Non-compliance can result in the Traffic Commissioner imposing restrictions on, or withdrawing, the licence: which could severely restrict the ability of the Council to deliver many of its services.

Following a review by the DVSA on 14 January 2014 and subsequent review by the Traffic Commissioner, a public inquiry was held on 18 November 2014. The main concerns raised were that Council vehicles and drivers had been issued with a number of defect notices and penalties in the previous 5 years. The Traffic Commissioner drew particular attention to concerns regarding vehicle maintenance, records of such maintenance and prompt recording by employees of such faults.

Following notification of the inquiry the Chief Executive requested a root and branch review of the Service. Management have identified and are taking forward steps to improve compliance. The objective of this audit was to determine whether or not the actions put in place are working as intended.

Although the actions taken by Fleet promote compliance there were still, at the point audit tests were conducted, a number of shortfalls in User Service and individual Driver adherence to policy including the completion and evidencing of daily vehicle checks. The Service has subsequently reinforced the requirements with User Services and is implementing regular compliance checks following the recruitment of a new Fleet Manager in March 2016.

Further work is ongoing to develop operational and asset management plans, in order to rationalise and reduce the age profile of the fleet to minimise maintenance requirements where appropriate. The Service has also agreed to adjust Service Level Agreements to highlight the possible actions and consequences of non-compliance, to further promote adherence to policy. Records of Driver Licensing and Training will also be improved.

1. INTRODUCTION

- 1.1 The Goods Vehicles (Licensing of Operators) Act 1995, requires that Organisations who are in possession of an Operator's Licence (O-Licence) adhere to certain rules in the management of their Fleet. The current Licence is held in the name of Mark Reilly, Head of Public Infrastructure and Environment, though further officers are listed on the Licence.
- 1.2 Appendix 6 of the Act specifically states that the Operator must fulfil maintenance requirements to ensure vehicles are in a road worthy condition and are safety checked. This includes the necessity for a daily check by Drivers of their vehicles, prompt reporting of any faults noted and the retention of records for a period of 15 months following any repair or servicing of a vehicle. Compliance with the act and terms of the licence are monitored by the Driver and Vehicle Standards Agency (DVSA). Non-compliance can result in the Traffic Commissioner imposing restrictions on, or withdrawing, the licence: which could severely restrict the ability of the Council to deliver many of its services.
- 1.3 Following a review by the DVSA on 14 January 2014 and subsequent review by the Traffic Commissioner, a public inquiry was held on 18 November 2014. The main concerns raised by the Traffic Commissioner were that Council vehicles and drivers had been issued with a number of defect notices and penalties in the previous 5 years. The Traffic Commissioner drew particular attention to concerns regarding vehicle maintenance, records of such maintenance and prompt recording by employees of such faults.
- 1.4 Following notification of the inquiry the Chief Executive requested a root and branch review of the Service. Management have identified steps to improve the Service and have engaged consultants to take this forward in the interim, pending recruitment of a new Fleet Manager.
- 1.5 The objective of this audit was to determine whether or not the actions put in place to remedy the concerns which were raised by the Traffic Commissioner are working as intended. This involved discussion with key individuals within the Service, examining vehicle and driver records, and visits to depots to check the condition of randomly selected vehicles.
- 1.6 The factual accuracy of this report and action to be taken with regard to the recommendations made have been agreed with Mark Reilly, Head of Public Infrastructure and Environment, and William Whyte, Fleet Manager.

2. FINDINGS AND RECOMMENDATIONS

2.1 Procurement

2.1.1 Vehicles and plant have an anticipated lifespan, and are likely to incur additional costs as parts wear out through use and age. The Service is developing a Vehicle Replacement Plan which identifies projected requirements, based on existing assets, for the next five years. The Service estimates the cost of bringing the fleet up to a high standard by 2020 is in the region of £19 million, and that through Best Value procurement, and reducing the age profile of the fleet, it could save up to £300,000 per annum on maintenance and other operating costs. The Service has access to a number of Scotland Excel contracts for vehicle procurement and is working with Commercial and Procurement Services (C&PS) to develop tenders for parts and service contracts.

2.1.2 The Service recognises that additional work is required to confirm Services' actual vehicle usage requirements. It is important that this exercise is carried out before new vehicles are procured, as it may identify excess provision, or the potential for shared vehicle usage. It may also be possible to rotate usage to balance the age profile of the fleet, and thereby delay the need for replacements. Excess vehicles would need to be identified quickly in order to maximise resale values where appropriate.

Recommendation

Fleet should develop principles for optimising Services' fleet requirements.

Fleet should work with Services to determine their ongoing fleet requirements, in line with these principles, in advance of any further significant procurement exercises.

Fleet should seek to identify 'excess' vehicles promptly in order to maximise resale value where vehicles are not required.

Service Response / Action

Agreed. Fleet services will develop operational plans and will review Service Level Agreements with each service so that current vehicle and plant numbers (including hires) to service requirements can be mapped. All operational plans will include future planning requirements / changes so the correct vehicles and plant are purchased / phased out as part of a strategic fleet asset management plan. These plans will be reviewed on a regular frequency.

Implementation Date

November 2016

Responsible Officer

Fleet Manager
(William Whyte)

Grading

Significant within audited area

2.1.3 The draft Plan highlights the potential savings from replacing older vehicles, and where these are causing particular problems it is appropriate that these are prioritised. However, in finalising the Plan the Service should ensure that funds are directed towards areas of most need: i.e. those areas which have the potential to impinge on the Council's ability to retain its Operating Licence, taking Health and Safety requirements into consideration.

Recommendation

The Service should ensure that available vehicle replacement funds are prioritised and directed towards areas of most urgent need.

Service Response / Action

Agreed. Fleet services continue to address the significant back log of vehicles and plant due for replacement. Capital funds have been and will continue to be targeted /

prioritised in the procurement of assets that have reached the end of their effective operational life and which pose additional risks to ACC and its stakeholders.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
Ongoing	Fleet Manager (William Whyte)	Important within audited area

2.2 Management Information

2.2.1 In order to assist with the monitoring of overall performance the Service has developed Key Performance Indicators (KPI's) which are reported to Committee on a quarterly basis. Key statistics which are included in the reports are outstanding 'O' Licence / MOT inspections, Accidents / Incidents, Late Reports, Tachograph analysis and Serious Issues as a percentage of 'O' Licence vehicles checked. The latest statistics were examined and observations made as below.

2.2.2 Outstanding 'O' Licence / MOT inspections are inspections and MOT's which are outstanding as of the month end. The report gave no cause for concern as, although there were vehicles (3 in August 2015, 1 in September 2015) which showed that their MOT or inspection were overdue for reporting purposes, it was confirmed that all inspections / MOT's are booked ahead of the due date to allow for delays and vehicles were not on the road with an invalid MOT / outstanding inspection.

2.2.3 Accidents and Incidents were relatively high with 111 reports of accidents / incidents from a total fleet of just over 500 vehicles. Where an incident / accident has occurred Services are asked to produce a report detailing the incident. 23 of the 111 reports of such incidences (21%) were not returned within the 21 day deadline.

Recommendation

Fleet should remind Services that they must provide reports on Fleet incidents or accidents promptly.

Services should be challenged where they consistently fail to respond in a timely fashion.

Service Response / Action

Agreed.

Fleet services have reviewed the accident / incident reporting procedures and updated the instruction bulletin which will be passed to all user departments.

A short training course was developed and delivered to supervisors in November 2015 instructing them on the correct completion of the forms. User Service responses will be monitored to ensure that the Services are adhering to the procedure. Compliance to this procedure is reported to the relevant Council Committee.

This process will be audited by Fleet Services to ensure compliance is being met.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
July 2016	Fleet Manager (William Whyte)	Important within audited area

2.2.4 Tachograph Analysis and 'Serious Issues as a % of Licences Checked' are discussed later in this report at 2.6 and 2.5.2.

- 2.2.5 Further performance indicators to assist in reporting are currently being developed. These are primarily aimed at the areas of accidents, incidents and action taken to resolve them. The Service has not yet determined when these will become part of regularly reported KPI's.
- 2.2.6 While the performance figures are reported to Committee, it is not clear what action is taken as a result. The KPI's provide useful information which Management should consider using to reinforce to Services the need to comply with legislative requirements and to highlight to Services where failures are occurring. This may require further analysis of the statistics, and inclusion within the report, to highlight where particular Services are exhibiting regular failings.

Recommendation

Fleet should consider how best to make use of the available Key Performance Indicators to drive forward compliance within Services.

Service Response / Action

Agreed.

Fleet services collate and report KPI's to the relevant Committee and discuss trends and findings with user departments, highlighting the areas of concern.

Fleet Services work with the User Services to identify and develop training and / or other initiatives to improve compliance.

Implementation Date

Ongoing

Responsible Officer

Fleet Manager
(William Whyte)

Grading

Important within audited area

- 2.2.7 In addition to the KPI's which are reported, LGV test rates are also examined on a regular basis. A report which was downloaded from the DVSA showed that of 53 Large Goods Vehicles tested, 52 passed the MOT first time while the final 1 merely required a realignment of headlights. The pass rates exceed national averages.
- 2.2.8 The Head of Service (Public Infrastructure and Environmental) has stated that staffing levels are currently not at the required levels. A business case has been put forward for a new Fleet Manager and Compliance Officers who are to assist in ensuring that Services are performing necessary checks and that vehicles are roadworthy at all times. This will include performing random checks. Recruitment is scheduled to take place at the beginning of 2016 and it is anticipated all positions will be filled by Summer 2016.
- 2.2.9 Staff are additionally being verbally reminded via Supervisors to ensure that they are complying with the requirements of their position in relation to checking of vehicles (Daily Driver Checks) and use of tachograph cards. The Head of Service (Public Infrastructure and Environmental) has also recently sent a reminder out to all Supervisors again reminding them of their obligations.
- 2.2.10 Additionally the Head of Service is considering withdrawing the use of Vehicles from Services where continual infringements are identified. While this may have an impact on the ability of individual Services to deliver their objectives, lack of compliance with the requirements of the Licence endangers the ability of the Council to retain its Licence as a whole, and deliver all services. Some Services will however have statutory duties, which will require transport for their delivery. It is important that contingency plans are in place to cover these eventualities.

Recommendation

Fleet should ensure that Services are made aware of the actions it may take in response to infringements, including withdrawal of the use of vehicles.

Service Response / Action

Agreed.

Any infringements that compromise compliance result in a letter being issued to the relevant Service Manager (and / or Head of Service, Director if appropriate), highlighting the infringement and the immediate action to be taken to prevent future compliance failure.

Regular liaison meetings are in place with the User Services to address issues of non-compliance that have been identified and to review the actions that are required or have been taken.

Fleet Services have implemented actions against Services, including withdrawal of the use of vehicles, where compliance has been compromised. Fleet Services will include in the review of the Service Level agreements the actions it will take to ensure Fleet compliance, should User Services fail to act initially by letter.

Implementation Date

November 2016

Responsible Officer

Fleet Manager
(William Whyte)

Grading

Significant within audited
area

- 2.2.11 One of the key concerns of the Traffic Commissioner was the general condition of vehicles, and the maintenance and records of maintenance of vehicles. As such a selection of 30 vehicle records was examined to ensure that the vehicles had a current MOT, were being serviced on schedule and that records were being maintained for the appropriate length of time.
- 2.2.12 Reports are run in the Vehicle Records system TRANMAN on a monthly basis to identify vehicles which are due for either a Service or MOT. Vehicles are then allocated a date and time slot and the Depot Supervisor sends out a report to Service Representatives asking them to confirm that the vehicles will be brought in on the date reserved for the vehicle.
- 2.2.13 All vehicles are booked in at least 2 weeks ahead of the due MOT or Service to allow for any delays in bringing vehicles in to the depot. The Depot Manager chases up any vehicles which are not brought in. All of the 30 sample vehicles had a current MOT and records indicated they had been serviced on schedule. In addition vehicle records went back further than the 15 months stipulated by the Traffic Commissioner.
- 2.2.14 Statistics were obtained for times taken to action repairs over a 12 month period for both 'O' Licence and non 'O' Licence vehicles across the Council. These are shown in Appendix 1. The average days represents the time taken from entering the vehicle on the TRANMAN system to the mechanic closing it off on the system following completion of the repair.
- 2.2.15 The date on the Drivers Check sheets were within one day of the date the vehicle was entered into TRANMAN indicating that where a fault is reported on a Drivers Check sheet it is taken to the repair depot the same or following day in line with regulations. It would be worthwhile for the Service to consider collating and reporting this statistic as this demonstrates compliance with one of the key concerns of the Traffic Commissioner.

- 2.2.16 Where a vehicle fault is noted on a Daily Check sheet, this is usually recorded as a defect, however where the defect is found to be electrical this is recorded separately. Breakdowns record when a mechanic is dispatched to the point of the vehicle breakdown and either takes the vehicle to the depot or effects a repair at the scene.
- 2.2.17 Times taken to deal with defects and Servicing have remained fairly static. Times taken to deal with electrical issues appear to have increased slightly while breakdowns are being rectified more quickly.
- 2.2.18 It may be useful for the Service to include statistics such as the above in Key Performance Indicator reporting as it may prove to be a useful tool in measuring any improvements where new practices are introduced. The less time that vehicles are off the road the less costs are incurred with hire charges and the more able Services are to deliver their objectives.

Recommendation

The Service should consider regular reporting of time taken to action defect notices along with other items such as Electrical Faults / Breakdowns and Servicing.

The Service should consider collating and reporting times taken for vehicles with a defect, to be notified to the repair depot.

Service Response / Action

Agreed.

All defects found at the Daily walk round check are reported immediately to the workshop before the vehicle goes into service. The Tranman Fleet Management system job card shows the date and time the vehicle is booked into the workshop, the time the job is started, who is carrying out the repair, the time taken to complete the repair and the date and time the vehicle is collected.

This process will be audited by Fleet Services to ensure compliance is being met.

Implementation Date

Implemented

Responsible Officer

Fleet Manager
(William Whyte)

Grading

Important within audited area

2.3 Driver Check Sheets

- 2.3.1 In order to ensure defects are identified and dealt with promptly, Drivers are required to complete Daily Check Sheets which identify key elements of the vehicle which should be checked before it is first driven each day.
- 2.3.2 Records for the 30 vehicles selected were examined for a 12 month period, comprising of over 300 records. It was noted on 16 occasions that faults were repaired during either an MOT, service or safety inspection. The faults had either not been noted on Driver Check sheets: indicating that the Driver had missed the fault, or the Driver Check sheet was missing.
- 2.3.3 A further 24 vehicles were then chosen from Waste, Building Services and Roads, and the Driver Check Sheets were requested from Services for a specified week to ensure that check sheets were present for the full week. If they were not present it was queried with the Service whether or not the vehicle had been driven on the identified days or was in the Repair Depot. The latter check was confirmed by checking records on TRANMAN.

- 2.3.4 For 10 Waste vehicles, all driver check sheets were present other than those relating to vehicles which were confirmed to have been in the Repair Depot.
- 2.3.5 For 7 Building Services vehicles, 2 sets of Drivers' Check sheets were missing for almost the entire week despite the employees having used the vehicles all week. 2 further vehicles had one day's sheets missing. The Service was unable to confirm whether or not the vehicles were used on those days. The Service has subsequently introduced a register of completion which it intends to use to monitor compliance.
- 2.3.6 Driver Check sheets for Roads vehicles are kept with the vehicle and books are replaced when necessary. Records for 7 vehicles at the Depot at Tullos were examined. One book for a Hire vehicle did not have the registration completed for several days, meaning it was not possible to match the checks to the vehicle should they be subject to a future inspection. Another Driver, having just arrived at the Depot confirmed that he had not completed the Driver Check sheet for that day. Dates were not consecutive in the same book. All other entries were present and fully completed for the other vehicles checked.
- 2.3.7 Records for Drivers of Minibuses were sought from the Technical officer for PTU. Driver Check sheets in these instances are retained with the vehicle and only handed in when the book is complete. The Technical Officer does however perform random checks and records the results of these on a spreadsheet. The latest spreadsheet was examined over an 8 week period and all Drivers Check sheets for the selected random checks were present.
- 2.3.8 It was also noted when checking through all Services' Daily Driver check sheets that some did not note the vehicle registration or fleet number, making an effective audit at a later date virtually impossible.
- 2.3.9 It is imperative that Drivers conduct daily checks on their vehicles before driving, in order to minimise the risk of an incident due to any defect on a vehicle, and also to comply with the requirements of the Traffic Commissioner. Services therefore need to ensure that they have systems in place to record that they are adhering to this requirement, and Fleet needs to have assurance that this is being done. As noted above, although there is a corporate check sheet in use, levels of compliance and the method of checking these are completed varies between Services.

Recommendation

Fleet should work with Services to implement a standard process for obtaining assurance that all Drivers are evidencing completion of their daily vehicle checks.

Service Response / Action

Agreed.

User departments carry out spot checks on vehicles when they return to the depot at the end of their shift, any defect found that would lead to a failure of compliance is reported back to the department supervisor and driver.

Independent spot checks on user service vehicles are carried out by an external company (Gate Checks) on regular basis, this entails checking the vehicles prior to going into service and after the daily walk round check has been carried out. The findings of these checks results are collated and given to the Fleet Compliance Manager.

This has not been adhered to in all services. The Head of Public Infrastructure and Environment Service reinforced the requirement to relevant service managers of their duties by email in December.

The instruction with a spreadsheet designed to capture this data has been re-issued to Service Managers.

This process will be audited by Fleet Services to ensure compliance is being met.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
Implemented	Fleet Manager (William Whyte)	Significant within audited area

- 2.3.10 A total of 24 further vehicles were checked which had returned nil defect Driver Check sheets for the day upon the vehicles return to the depot. 7 of these vehicles (29%) were then identified by Internal Audit as having a visible defect.
- 2.3.11 In 5 instances, the vehicles had low coolant or oil levels. While these defects may not have a direct health and safety impact, in the event of the vehicles breaking down due to low fluid levels there is the potential for costs to be incurred by Services through repair and / or hire of a replacement vehicle as well as service disruption.
- 2.3.12 2 vehicles had more serious defects. A reversing siren was not working on a refuse vehicle, and another had a deep cut in the sidewall of a tyre.
- 2.3.13 This indicates that Drivers are not checking vehicles thoroughly and in accordance with Fleet's expectations prior to driving the vehicle. There are potentially serious consequences for Services should the vehicle be stopped for a random DVSA inspection as either fines may be levied or they may be reported to the Traffic Commissioner.
- 2.3.14 Whilst staff employed as Drivers are more likely to have an understanding of the checks required, this may not be the case for all staff driving or operating a vehicle as part of their wider duties. The current form and guidance may not be sufficiently detailed, to ensure full and consistent checks take place. For example, drivers are asked to confirm that fluid levels are adequate, but are not told which levels to check, or how to do so. Training or guidance may be necessary to ensure this is completed adequately, or the form could be expanded to list all of the relevant items to check – e.g. oil, brake fluid, clutch fluid, power steering fluid, screenwash etc. The same could be applied to other sections of the form.
- 2.3.15 It was noted in a report commissioned from a consultancy engaged to conduct regular random checks on vehicles that some Drivers were conducting vehicle checks in the dark. It is not possible to effectively carry out the required checks in poor light. It was confirmed that Waste Services have issued Drivers with torches to carry out daily checks. This instruction however is unlikely to have been communicated to other Services who do not drive 'O' licence vehicles – although the checks are still important in maintaining an effective well maintained fleet.

Recommendation

Fleet should review the content of the Drivers Daily Check Sheets, and ensure appropriate training is developed for completion of the activity, to ensure checks are always fully and consistently completed.

Service Response / Action

Agreed.

All vehicle defect books (daily check sheet) are checked for non-reported defects when the vehicle comes into the workshop for repair. Any driver not complying to the required standard of the daily walk round check will be sent for training and will be monitored to ensure that the required standard is met.

About 40 supervisors across the User Services have been trained so that they can cascade training to their drivers in the standards, procedures and completion of documentation relating to drivers checks.

This process will be audited by Fleet Services to ensure compliance is being met.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
Implemented	Fleet Manager (William Whyte)	Significant within audited area

- 2.3.16 Depending on the level of checks required, as noted above Drivers may require additional equipment to carry out adequate checks. For example if tyres are to be checked it may be appropriate to provide pressure gauges and tread depth measurement tools; or if checks must be carried out in the dark – torches should be provided. Although Services are responsible for ensuring checks are carried out, it would be appropriate for Fleet to determine a corporate standard, and procurement route, for this equipment to ensure a consistent approach is taken.

Recommendation

Fleet should work in conjunction with user departments to ensure that vehicles are provided with equipment as appropriate to enable Drivers to complete their daily checks.

Service Response / Action

Agreed.

Fleet have ordered and supplied user departments with torches as required. There is no requirement to supply depths or pressure gauges for tyres because if the driver is in doubt regarding a tyre defect it is required that they report this immediately to the workshop for guidance.

The “O” licence Fleet has a monthly tyre audit carried out by the current Tyre supplier where tyre depths and pressures are taken.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
Implemented	Fleet Manager (William Whyte)	Important within audited area

2.4 Other Vehicle Checks

- 2.4.1 The Compliance Officer (Temporary) for Fleet confirmed that all Supervisors across Services should be carrying out a 10% check of vehicles condition on a monthly basis. The Officer confirmed that Service adherence to this requirement was generally poor and a reminder had recently been issued by the Head of Service (Public Infrastructure and Environment) to all Services to comply with this requirement. From discussions with Supervisors and observations while onsite it is clear that checks are being carried out in some instances although they do not appear to meet the required 10%. It may be worthwhile for Fleet to confirm the exact requirements in terms of the number of checks required, to reinforce this to Services.

Recommendation

Fleet should reaffirm to the Services details of the required number of checks to meet 10% on a monthly basis.

Services should ensure vehicle condition checks are completed in line with the information provided by Fleet.

Service Response / Action

Agreed.

Fleet has sent reminders to all user departments to ensure a 10% fleet check is carried out on a monthly basis. Detailed records of these checks are returned to Fleet Services.

This process will be audited by Fleet Services to ensure compliance is being met.

Implementation Date

Implemented

Responsible Officer

Fleet Manager
(William Whyte)

Grading

Important within audited
area

- 2.4.2 Tyre replacements and repair are currently undertaken by an external supplier. The supplier also performs random inspections on vehicles and replaces tyres where they consider this is warranted. 3 random inspections covering 48 vehicles were examined. The inspections give a reason for replacement and a measurement of the tread depth. 7 of the 48 vehicles had one or more tyres replaced due to either excessive wear or the tyre having a defect. There is a risk of tyres being replaced un-necessarily, as staffing levels do not allow for the claims to be double checked by Fleet to verify the condition of tyres removed.
- 2.4.3 Services can additionally request that tyres are replaced without notifying the Repair Depot first. Several instances of this were identified as part of Internal Audit's review of vehicle records. In these cases no tread measurements are given by the supplier, meaning that tyres are being replaced without supporting evidence of the need to do so.
- 2.4.4 The Service is currently in discussion with the Commercial and Procurement Services with a view to issuing invitations to tender for a full tyre service in the near future. This full tyre service will again include all tyre replacements and random inspections.

Recommendation

Fleet should ask the supplier to provide tread depth measurements for all tyres replaced, whether on inspection or on request from Services.

Fleet should consider how it can gain further assurance over tyre replacements.

Service Response / Action

Agreed.

The current supplier records the tyre tread depth and reason for a tyre being replaced. Detailed information of tread depths and tyre replacement is given to Fleet Services.

A review of current tyre management arrangements is currently being undertaken.

Implementation Date

November 2016

Responsible Officer

Fleet Manager
(William Whyte)

Grading

Important within audited
area

- 2.4.5 Although Services can request replacement tyres directly from the supplier they should still be sending in a Driver's Daily Check sheet indicating that there is a fault with the vehicle to the Repair Depot. When examining the records of a further 30 random vehicles it was noted that in 31 instances there was no Daily Driver Check sheet indicating a fault present at the time the tyre(s) were replaced.

Recommendation

Services should ensure that where a worn or damaged tyre is noted and replaced, that the Drivers Daily Check sheet is sent to the Repair Depot to notify the Service of the defect.

Service Response / Action

Agreed.

It is the responsibility of drivers to ensure that the daily check sheet is correctly filled out showing the tyre defect.

The daily check sheet is given to Fleet along with the data from the tyre company which is matched in the vehicle record files.

This process will be audited by Fleet Services to ensure compliance is being met.

Implementation Date

Implemented

Responsible Officer

Fleet Manager
(William Whyte)

Grading

Important within audited
area

- 2.4.6 It is important that where vehicles are leased they are subject to the same checks as Council owned vehicles. The Hire Procedures were examined and found to give clear instructions for the Depot Foreman to ensure that vehicles are roadworthy, have been serviced and have a current MOT. Additionally for LGV vehicles the instructions make clear the need for a safety check to take place.

2.5 Licence Checks

- 2.5.1 It is imperative that Drivers of 'O' Licence vehicles have regular checks performed on their Drivers Licences to ensure that they are permitted to drive these vehicles. Licence checks are currently checked by an external company (*Driver Hire*). This is an online service which the Compliance Officer checks on a quarterly basis. In addition to this weekly exception emails are issued to the Compliance Officer (Temporary) which will notify the Officer where a Driver has received an endorsement on their licence.
- 2.5.2 One of the Fleet Key Performance Indicators is for 'Serious Issues as a percentage of Licences Checked'. This indicates where a Driver has accumulated 6 points or more on their licence or has had any class of licence entitlement removed. The most recent KPI viewed highlighted 2 Drivers in these categories. The first had their entitlement to drive LGV's removed and is no longer employed in driving duties. The second already had 6 points on their licence and was given another 6 for having the wrong address on their licence. At this point the Service was notified of the pending prosecution of the Driver and suspended them from driving duties. By the time the case was subsequently heard at Court the original points had expired meaning that at no point was the Driver disqualified by the DVLA from driving.
- 2.5.3 Drivers of LGV vehicles require to have completed the Certificate of Professional Competence, which comprises 35 hours of training every 5 years. The Compliance Officer (Temporary) confirmed that Services are expected to maintain their own records of whether or not a Driver has completed the required training, however it was not considered that records of this were being adequately maintained.
- 2.5.4 Fines and reputational damage could occur should a Driver involved in an incident or subject to inspection be discovered not to have undertaken the required training. It is therefore imperative that Services are able to provide evidence that all Drivers have

completed the required training and Fleet Services should seek to establish this is the case on a periodic basis.

Recommendation

Fleet should ensure that all Services have full and complete records of drivers CPC compliance, including when they are due to undertake training.

Service Response / Action

Agreed.

Fleet carries out Drivers CPC Training in conjunction with Aberdeenshire Council for user departments on an ongoing basis when required. Dates are supplied to Fleet for training and user departments notified of availability of courses.

A record of Drivers training and requirements are kept by Fleet Services and is available to the User Services.

This process will be audited by Fleet Services to ensure compliance is being met.

Implementation Date

Implemented

Responsible Officer

Fleet Manager
(William Whyte)

Grading

Significant within audited area

- 2.5.5 Licences for Drivers of non LGV vehicles are supposed to be checked on a yearly basis with Supervisors in each Service keeping spreadsheets of Drivers and the associated yearly confirmation of the check of their licence. A new system is however to be piloted in early 2016: the Corporate Drivers Management System (CDMS). Once rolled out, all Drivers currently listed, as well as essential car users, will have their details entered into the system as well as any new starts who may be required to drive as part of their duties.
- 2.5.6 Drivers will be asked to obtain a check code from the DVLA which is available online. This code will be given to an appropriate person within Services and a printout will then be obtained of the Driver's entitlement to drive as well as any convictions which will then be stored on the system.
- 2.5.7 In order to provide assurance that all employees with a requirement to drive as part of their job role have a current licence, it would be useful to identify which Posts within the organisation have 'driving' duties, and the class of vehicle that an employee may be required to operate as part of these duties. This would enable checks to be made against an employee's licence in the new system to determine whether or not they have the appropriate provision to drive. This is particularly important for newer drivers where there is no longer an automatic extension to drive vehicles with a kerb weight of up to 7.5 tonnes.

Recommendation

Fleet in conjunction with HR and User Services should maintain a list of Posts with driving duties, and the relevant licence categories required.

Service Response / Action

Agreed.

Fleet Services, working with the HR Department, have collated details of posts with driving duties.

All new and current LGV drivers have their licence checked online through the Driver Hire system on a 3 monthly cycle. Any concerns are emailed to the User Service

immediately so that these can be investigated and where necessary appropriate action can be taken.

All new and current non-LGV drivers will have their licence checked online through the PSE system, operated by HR, on an annual basis. This system is in the development stage and it is intended to become operational in the summer of 2016. It will be the responsibility of the user services to manage non-LGV drivers but assistance and advice on licence categories will be available from Fleet Services.

The LGV licence process will be audited by Fleet Services to ensure compliance is being met.

<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
August 2016	Fleet Manager (William Whyte); HR Officer (Marie Smith)	Important within audited area

2.6 Tachographs

2.6.1 Drivers operating specific categories of Large Goods Vehicles or Passenger Carrying Vehicles for specified activities are required to have their driving monitored via a tachograph. The majority of vehicles to which this requirement applies are equipped with digital tachograph recording systems. Older vehicles may have an analogue waxed disc system. The information from the systems is downloaded and analysed by an outside company (*Tacho-Data*) and Services can analyse the data online. The data highlights Primary Infringements such as driving in excess of daily hours limits, as well as minor infringements such as power supply interruptions, insertion of a card while driving and time overlaps where a driver is recorded as driving one vehicle at the same time as another due to clocks being incorrect.

2.6.2 Records for Drivers for September and October 2015 from Waste and Road Services were analysed, with the following results:

	Drivers with Primary Infringements	Drivers with 6 or more Primary Infringements	Drivers with Minor Infringements
September (95 Drivers)	15	2	5
October (94 Drivers)	10	2	6

2.6.3 Fleet is aware of the issues and is seeking to identify why these are recurring. Services should be raising these with Drivers, and ensuring Drivers are made aware of the implications – which include personal liability to penalties, as well as implications for the Council as an operator.

2.6.4 The Refuse Service has stated that they have only just begun to receive Tachograph infringement reports and will be speaking to Drivers where consistent infringements are occurring and retaining records of this.

2.6.5 The Roads Service has stated that they have been receiving tachograph information for the previous 6 months and have spoken to Drivers where infringements have been identified. These records are retained by the department. The Manager has expressed concern at the number of infringements arising as a result of tachograph clocks not being

synchronised, resulting in apparent incidents of Drivers operating more than one vehicle at the same time.

<u>Recommendation</u>		
Fleet should ensure Services have adequate processes in place for evidencing that action is being taken in response to tachograph infringements.		
<u>Service Response / Action</u>		
Agreed.		
All tachograph records are checked on a monthly basis by external supplier Tacho – Data Ltd. Reports detailing any infringements are given to Fleet Service who then notifies the relevant driver and supervisor.		
Action including training, if required, is taken to reduce the possibility of future infringements.		
This process will be audited by Fleet Services to ensure compliance is being met.		
<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
Implemented	Fleet Manager (William Whyte)	Significant within audited area

- 2.6.6 3 Drivers within the Roads department currently do not have a digital tachometer card. This may restrict their ability to drive other vehicles.

<u>Recommendation</u>		
The Roads Service should ensure that all Drivers of relevant vehicles have a Digital Tachometer Card.		
<u>Service Response / Action</u>		
Agreed.		
The Road Service confirms that all their drivers have a Digital Tachometer Card. A list of driver’s names and expiry dates of the cards has been compiled. This list is compared to the list of LGV licenses.		
This process will be audited by Fleet Services to ensure compliance is being met.		
<u>Implementation Date</u>	<u>Responsible Officer</u>	<u>Grading</u>
Implemented	Fleet Manager (William Whyte)	Important within audited area

2.7 Insurance

- 2.7.1 The Council has a duty of responsibility to ensure that all employees driving Council owned or rented vehicle are adequately covered when performing duties commensurate with the requirements of their post. The current insurance document was examined and found to provide this cover.

AUDITORS: D Hughes
C Harvey
D Henderson

Appendix 1 – Repair statistics

January 2015 to June 2015	Average Days	July 2015 to December 2015	Average Days	Difference	Difference %
Non O Licence Vehicles					
ACCIDENT	23.59	ACCIDENT	4.20	19.39	17.80
AD BLUE, GREASE ETC.	0.91	AD BLUE, GREASE ETC.	4.33	-3.42	475.82
BREAKDOWN	7.14	BREAKDOWN	5.41	1.73	75.77
DEFECTS	6.30	DEFECTS	6.53	-0.23	103.65
ELECTRICAL	2.02	ELECTRICAL	4.80	-2.78	237.62
SCHEDULED SERVICE	10.69	SCHEDULED SERVICE	10.13	0.56	94.76
		MODIFICATION	8.95	-8.95	n/a
O Licence Vehicles					
ACCIDENT	3.00	ACCIDENT	11.75	-8.75	391.67
AD BLUE, GREASE ETC.	1.91	AD BLUE, GREASE ETC.	3.90	-1.99	204.19
BREAKDOWN	5.91	BREAKDOWN	4.70	1.21	79.53
DEFECTS	6.40	DEFECTS	5.52	0.88	86.25
ELECTRICAL	2.13	ELECTRICAL	5.34	-3.21	250.70
MODIFICATION	8.33	MODIFICATION	3.00	5.33	36.01
SCHEDULED SERVICE	10.78	SCHEDULED SERVICE	8.94	1.84	82.93

Appendix 2 – Grading of Recommendations

GRADE	DEFINITION
Major at a Corporate Level	The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss, or loss of reputation, to the Council.
Major at a Service Level	<p>The absence of, or failure to comply with, an appropriate internal control which could result in, for example, a material financial loss to the Service/area audited.</p> <p>Financial Regulations have been consistently breached.</p>
Significant within audited area	<p>Addressing this issue will enhance internal controls.</p> <p>An element of control is missing or only partial in nature.</p> <p>The existence of the weakness identified has an impact on a system's adequacy and effectiveness.</p> <p>Financial Regulations have been breached.</p>
Important within audited area	Although the element of internal control is satisfactory, a control weakness was identified, the existence of the weakness, taken independently or with other findings does not impair the overall system of internal control.