



## CITY OF HAMILTON

City Manager's Office  
Audit Services

<b>TO:</b>	Chair and Members Audit, Finance and Administration Committee
<b>COMMITTEE DATE:</b>	March 24, 2014
<b>SUBJECT/REPORT NO:</b>	Follow Up of Audit Report 2012-05 - Long Term Contract Review - Recycling Collection Services (Blue Box Collection) (AUD14006) (City Wide)
<b>WARD(S) AFFECTED:</b>	City Wide
<b>PREPARED BY:</b>	Ann Pekaruk 905-546-2424 x4469
<b>SUBMITTED BY:</b>	Ann Pekaruk Director, Audit Services City Manager's Office
<b>SIGNATURE:</b>	

### RECOMMENDATION

That Report AUD14006, respecting the follow up of Audit Report 2012-05, Long Term Contract Review – Recycling Collection Services (Blue Box Collection), be received.

### EXECUTIVE SUMMARY

Audit Report 2012-05, Long Term Contract Review – Recycling Collection Services (Blue Box Collection) was originally issued in October 2012 and a management action plan with an implementation timeline for the one recommendation was included in the Report. In January, 2014, Internal Audit conducted a follow up exercise to determine if appropriate and timely action had been taken. The one recommendation requiring verification of driver licensing (also a term of the new contract effective April 1, 2013) has been implemented. Details of the implementation are included in Appendix "A" to Report AUD14006.

### ***Alternatives for Consideration – Not Applicable***

### **FINANCIAL – STAFFING – LEGAL IMPLICATIONS (for recommendation(s) only)**

Financial: None.

Staffing: None.

Legal: None.

## **HISTORICAL BACKGROUND (Chronology of events)**

Audit Report 2012-05 Long Term Contract Review – Recycling Collection Services (Blue Box Collection) was originally issued in October, 2012. The report provided one recommendation to ensure compliance with a term of the contract.

It is normal practice for Internal Audit to conduct follow up reviews within 12-18 months following the issuance of the original report in order to determine whether action plans committed to by the department have been implemented.

## **POLICY IMPLICATIONS AND LEGISLATED REQUIREMENTS**

None.

## **RELEVANT CONSULTATION**

The results of the follow up were provided to management and staff responsible for the administration of the contract, i.e. Operations Division of the Public Works Department.

## **ANALYSIS AND RATIONALE FOR RECOMMENDATION (Include Performance Measurement/Benchmarking Data if applicable)**

The report attached as Appendix “A” to Report AUD14006 includes the original report (2012-05) along with an added Follow Up Comment indicating the result of Internal Audit’s follow up work.

There was one recommendation made regarding the verification of driver licensing. The safety spot checks, carried out by City staff, now include this verification, ensuring compliance with this requirement in the contract.

Audit Services conducted this follow up assignment in conformity with the *International Standards for the Professional Practice of Internal Auditing*. Audit Services believes that the work performed provides a reasonable basis for the follow up comment and conclusion.

## **ALTERNATIVES FOR CONSIDERATION**

**(Include Financial, Staffing, Legal and Policy Implications and Pros and Cons for each alternative)**

Not applicable.

## **ALIGNMENT TO THE 2012 – 2015 STRATEGIC PLAN**

### **Strategic Priority #2**

Valued & Sustainable Services

*WE deliver high quality services that meet citizen needs and expectations, in a cost effective and responsible manner.*

### **Strategic Objective**

- 2.1 Implement processes to improve services, leverage technology and validate cost effectiveness and efficiencies across the Corporation.

### **Strategic Priority #3**

Leadership & Governance

*WE work together to ensure we are a government that is respectful to wards each other and that the community has confidence and trust in.*

### **Strategic Objective**

- 3.4 Enhance opportunities for administrative and operational efficiencies.

## **APPENDICES AND SCHEDULES ATTACHED**

Appendix “A” to Report AUD14006.

ap:jg