



New Recommendations by the Office of the City Auditor

The Office of the City Auditor has three additional observations and recommendations to further clarify existing employer-provided parking policies, procedures and practices, making the annual eligibility analysis more robust and consistent across the organization.

New Recommendation #1

Observation:

During the follow up audit fieldwork, it was noted that there were several areas of the Employer-Provided Parking Policy that require clarity to improve the process of administering employer-provided parking.

Recommendation:

That the Employer-Provided Parking Policy be updated by the Policy Review Group. The areas found to require updating are:

- a) Update the Employer-Provided Parking Policy to include exemption categories related to collective agreements, grievance settlements, and permits issued to disabled employees.
- b) Incorporate a working instruction in the parking procedure outlining the minimum, key expectations for each department (and elected officials) regarding the annual eligibility review process, documentation and retention. The Policy Review Group should consult with the Public Works and Healthy and Safe Communities Departments for good practices already in place.
- c) Investigate whether the current policy's business case requirements should be amended to reflect current practices. If not, additional guidance should be provided to departments to enable compliance with the policy.
- d) Take additional measures to ensure trips are reported accurately. Such measures may include adopting the term "trip days" and reminding management to ensure an employee's trip count is reported accurately when approving employee expense reports.
- e) Provide clarification in the policy whether grandfathered employees retain their parking privileges throughout their career with the City, with various office move location scenarios considered.
- f) Amend the parking policy requiring departments to cancel employer-provided parking when an employee leaves for a longer-term absence and reinstate parking upon their return to encourage cost-saving practices.

- g) Expand the definition of the downtown core in the Employer-Provided Parking Policy to First Place and the Hamilton GO Centre. These two locations should be considered part of the downtown core as free parking is not readily available in these areas. The policy should be updated to include these locations to avoid confusion and inconsistency with actual practices.
- h) That the policy be revised to require that management carry out a break-even analysis to assess whether employees operating out of two work locations spend enough time at their downtown location to warrant providing monthly parking as opposed to reimbursing daily parking costs. This analysis may be incorporated into the annual parking eligibility review.

Management Response

Agreed. The Policy Review Group will review these items further, consult with user groups and amend the policy and procedure documents where necessary.

Anticipated completion date: Q1 2020.

New Recommendation #2

Observation:

An employee may be awarded employer-provided parking as a result of a grievance settlement. In some cases, neither Labour Relations nor departmental management communicated grievance-related parking exemption settlements to HR Records. As a result, the annual query produced by Payroll may not be accurate if PeopleSoft HRMS does not contain a complete list of employees exempt from the parking trip requirements.

Recommendation:

That Labour Relations forward grievance settlements pertaining to employer-provided parking to HR Records to update PeopleSoft HRMS. The Policy Review Group should reflect this direction in the Employer-Provided Parking Policy or Procedure.

Management Responses

Labour Relations – Agreed. Direction has been given to the Labour Relations Analysts to email parking-related grievance settlements to the appropriate HR Records contact when they arise.

Anticipated completion date: Completed.

Policy Review Group – Agreed. The Policy Review Group will amend the procedure to capture this process.

Anticipated completion date: Q1 2020.

New Recommendation #3

Observation:

The same number of employees have employer-paid parking at the end of 2018 when compared to the original audit. The total dollar amount of employer-paid parking in 2018 was higher than in 2012. No long-term, sustainable savings have been achieved by the organization. Costs were about \$43,000 higher in 2018 compared to 2012.

Recommendation:

That the City Manager direct the Senior Leadership Team to actively reduce employer paid parking costs by a targeted percentage.

Management Response

Agreed, with Alternative Action Plan. The provision of parking is sometimes a recruitment tool and despite an increase in the number of city employees between 2012 and 2018, the number receiving paid parking has remained the same. The Senior Leadership Team will continue to review parking on an annual basis to ensure compliance with the policy. In addition, a number of factors will lead to its decrease over time including the retirement of grandfathered employees and policies will be reviewed and adapted when applying a climate change and financial sustainability lens.

Anticipated completion date: Ongoing.