



Hamilton

INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	February 17, 2022
SUBJECT/REPORT NO:	Roads Value for Money Audit: Management Update (PW22007) (City Wide) (Outstanding Business List Item)
WARD(S) AFFECTED:	City Wide
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SUBMITTED BY:	Edward Soldo Chief Road Official Public Works Department
SIGNATURE:	

COUNCIL DIRECTION

On July 9, 2021, Council directed the General Manager of Public Works to implement the Management Responses contained within the Roads Value for Money Audit (AUD21006) and report back to Audit, Finance and Administration Committee in six months, and again by December 2022, on the nature and status of actions taken.

INFORMATION

The Roads Value for Money Audit (AUD21006) assessed the management of the City of Hamilton’s (City) road assets in order to identify opportunities for improved economy, efficiency and effectiveness. The Office of the City Auditor (OCA) made 25 recommendations to improve value for money in service delivery, strengthen controls, and improve vendor management.

Management agreed with 23 recommendations and disagreed with two recommendations. Management provided responses for implementation, with completion anticipated by 2024.

The Office of the City Auditor cautioned that the acceptance of the two responses that management disagreed with by the Audit, Finance and Administration Committee that

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OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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the City will continue to be exposed to risks in vendor selection and vendor management if action is not taken. However, staff are willing to consider if any action can be taken without impeding the procurement process or diminishing any element of fairness or transparency.

The purpose of Information Report PW22007 - Roads Value for Money Audit Management Update, is to provide the Audit, Finance and Administration Committee with a status report on the 25 recommendations as directed.

A working group has been established, representing the Chief Road Official, Engineering Services Division, Transportation Operations & Maintenance Division and Corporate Asset Management in Public Works as well as the Finance and Administration Division and Procurement Division in Corporate Services.

An implementation plan for the audit recommendations has been developed and work is underway in completing the various action items. A summary of the progress to date is attached to Report PW22007 as Appendix "A". Please note: The Office of the City Auditor has not validated the information contained in Appendix "A" to Report PW22007.

Implementation of the recommendations will incorporate industry best practices, ensure a more robust roadway pavement management approach and embed continuous improvement and quality management processes to asset delivery. The initiatives will integrate with Corporate Asset Management and align with the future implementation of the Enterprise Asset Management System (EAM).

The implementation plan includes standard operating procedures that will form part of the Transportation Quality Management System (TQMS) Operational Plan. The TQMS is a framework that documents processes, procedures, and responsibilities to safely, effectively and efficiently design, construct, maintain and operate the City's transportation system while meeting applicable legislative and regulatory requirements.

As required, a subsequent report will be provided to the Audit, Finance and Administration Committee in December 2022 which will include a further status update on the progress implementing the recommendations from the Roads Value for Money Audit (AUD21006).

APPENDICES AND SCHEDULES ATTACHED

Appendix "A" to Report PW22007 – Value for Money Audit Deliverables