

To: Community Services Committee

From: Ron Diskey, Commissioner,  
Community Services Department

Report Number: CS-18-44

Date of Report: June 15, 2018

Date of Meeting: June 21, 2018

Subject: Fleet Management Follow-up Audit

File: C-3100

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## **1.0 Purpose**

The purpose of this report is to present the K.P.M.G. Fleet Management Follow-up audit report (Attachment 1).

## **2.0 Recommendation**

That the Community Services Committee recommend to City Council:

That Report CS-18-44, dated June 15, 2018, and Attachment 1, concerning the K.P.M.G. Fleet Management follow-up audit, be received for information; and,

The recommendations and management responses in the K.P.M.G. audit be endorsed as the general basis for implementing improvements to the City's fleet management.

## **3.0 Executive Summary**

N/A

## **4.0 Input From Other Sources**

The Fleet Management Follow-up audit by K.P.M.G. was conducted with the involvement of the appropriate City employees.

## **5.0 Analysis**

The Council-endorsed 2018 Audit Plan is comprised of eight audits, as follows:

- Fleet management follow-up
- Absence management
- Workforce productivity data and information
- Real estate follow-up

- Enforcement processes
- Health and safety follow-up
- Reserves (added January 16, 2018)
- Council remuneration by-law (added April 9, 2018)

This report delivers the Fleet Management Follow-up audit. Work is underway on the health and safety follow-up, the reserves and Council remuneration by-law audits. It is noted that due to the municipal election this fall there will be fewer opportunities to bring audits forward to Council in 2018. As a result, some of the 2018 audits will be reported on in the first quarter of 2019.

The Fleet Management Follow-up audit reviews the implementation of the eight recommendations (two high, three medium and three low risk) contained in the original 2017 audit. The recommendations relate to the following aspects:

1. Fleet analysis and data availability (high risk)
2. Monitoring of NAPA KPI's (high risk)
3. Analyze of the utilization of fleet vehicles (medium risk)
4. Change in fleet replacement strategy and methodology (medium risk)
5. Segregation of duties in requests for new parts and servicing (medium risk)
6. Calculation of fleet replacement rates (low risk)
7. Formal inventorying of winter tires (low risk)
8. Vehicle specification guidance and templates (low risk)

The K.P.M.G. recommendations and the City's management response will be the basis for implementing on-going improvements to the City's fleet management.

## **6.0 Financial Implications**

There are no financial implications at this time.

## 7.0 Relationship to the Oshawa Strategic Plan

This report responds to the Council-approved principle of financial stewardship, which underlies the Oshawa Strategic Plan. It also responds to the goals of Economic Prosperity – Ensure economic growth and a sound financial future, with specific connection to the theme of safe and reliable infrastructure. This report also addresses the goal of Accountable Leadership – Ensure respect, responsiveness and transparency, which speaks to the theme of our corporate culture demands excellence and respect.



Helen Break, Director,  
Strategic Initiatives



Ron Diskey, Commissioner,  
Community Services Department



# City of Oshawa

## **Fleet Management follow-up**

KPMG LLP

June 2018

This report contains 18 pages

Appendices comprise 5 pages



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## Appendices

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- B. Staff involvement and documents reviewed

## Distribution

To (for action):

- Mike Saulnier - Director, Operations Services
- Aaron Mcleod – Interim Fleet Manager
- Dave Lyon - Manager, Purchasing Services

CC (for information):

- Corporate Leadership Team
- Audit Team

Sponsor:

- Ron Diskey – Commissioner, Community Services

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## Section One

### Executive Summary

#### Conclusion

A total of eight recommendations were raised in our April 2017 internal audit report of Fleet Purchasing and Inventory. Good progress has been made in taking the actions agreed upon. We found that five of these recommendations have been fully implemented. Of the remaining three recommendations, we have assessed two as partly implemented (where some action has been taken) and one not implemented (where no action could be evidenced). Please see Section Two for further details. The main area where further work is needed across Fleet Services is in relation to analysis of fleet vehicle utilization.

We identified improvements made in the recording of fleet data for reporting and analysis purposes, with a dedicated resource appointed by the City (Fleet Analyst) in August 2017 to help extract and analyze data from the MMS system. However, as identified in the previous audit, the current MMS system does not provide reporting in an efficient and “easy to process” fashion and so requires input and additional analysis from the Fleet Analyst. Fleet Services are in the process of choosing a vendor for a new fleet management system to replace MMS, with a decision on the chosen vendor expected by May 2018. However depending on the chosen vendor the process to roll out the new system may take one to two years. Fleet should continue to monitor the timeline of implementation of a new fleet management system to ensure key targets and timeframes are met.

Vehicle mileage data is reviewed by the Interim Fleet Manager as part of the licensing renewal process. However, this does not include a formal analysis and comparison of mileages incurred across the different vehicle types, or analysis of fleet engine utilization. There is a risk that vehicles are being under-utilized and therefore may not be needed by Fleet. This in turn can affect any future procurement or strategic decision making around fleet vehicles. We have undertaken further analysis on the utilization of fleet vehicles (including light vehicles) used across the Corporation across the 2016 and 2017 years. We identified a number of vehicles with a low average mileage in comparison to other vehicles in the same vehicle classification, which suggests that some vehicles are under-utilized. We acknowledge that there are other factors affecting the utilization of vehicles, such as hourly usage and engine utilization, which should also be considered by Fleet Services when undertaking fleet analysis. This will reduce costs of purchasing and maintaining vehicles. Please see Appendix A for further information.

We confirmed that the two main NAPA KPI's (80% fill rate target and 10% target of available parts within 24 hours) are monitored on a monthly basis. However, the remaining



quality KPI's are not consistently monitored by Fleet Services. While further data is included within the monthly KPI reports provided from NAPA, the data is not specific and does not clearly show the performance levels against the KPI's stipulated in the NAPA contract. Fleet Services should review the content of the KPI reports with NAPA and ensure performance against all remaining quality KPI's as per the NAPA contract is included within the KPI reports, in order to enable effective monitoring and oversight of NAPA performance.

In an effort to reduce the specification processing times, the "do's and don'ts" of specification writing have been clarified through presentations held between Fleet Services and Purchasing. In addition to this the Fleet Analyst is in the process of developing specifications for each asset class. There are around 40 different specification templates to develop, with 10 templates completed at the time of our audit. Fleet Services should ensure the remaining specifications are completed, and review the effectiveness of these templates in reducing the overall duration of the tender process.

### Background

This review forms part of the Internal Audit Plan for 2018 for the City of Oshawa ("City" or "Corporation"). In this review we have followed up on our previous work around fleet management which focused on analyzing vehicles in fleet and related processes in place for inventory management of parts, completed as part of the 2016 audit plan. As part of that review opportunities were found to reduce the number of vehicles and other potential efficiencies. Key recommendations identified around vehicle utilization such as the need for proper fleet analysis and data availability, regular monitoring of NAPA KPIs, fleet replacement strategy and methodology and segregation of duties in request for new parts and servicing. Fleet management and utilization analysis can provide insight towards the efficiency and effectiveness of workflow within the Fleet Services department.

### Objective

Objective	Description of work undertaken
<p><b>Objective one</b></p> <p>To assess progress by Fleet Management to better utilize vehicles</p>	<p>We have reviewed progress made in:</p> <ul style="list-style-type: none"> <li>● Improvements to data availability, data quality and fleet analysis;</li> <li>● Monitoring of NAPA KPIs and current performance;</li> <li>● Analysis undertaken in relation to utilization of fleet vehicles, considering actions taken to streamline and better utilize fleet;</li> <li>● Fleet replacement strategy and approvals for new fleet;</li> <li>● Segregation of duties in the ordering of new parts;</li> <li>● Calculation of fleet replacement costs and challenge from Finance</li> </ul>



Objective	Description of work undertaken
	<ul style="list-style-type: none"> <li>● Inventorying of winter tires; and</li> <li>● Fleet and purchasing collaboration to develop templates for specification templates.</li> </ul> <p>The aim of this objective was to consider the improvements made to fleet management since our last audit, considering actions taken as a result of the recommendations raised.</p>

### Areas of good practice

- ✓ **KPI monitoring (80% fill rate and 10% remaining items availability)** – The 80% fill rate KPI and the 10% of remaining items available within 24 hours KPI are monitored on a monthly basis by Fleet Services. The average KPI figures across the 2017 year were above target for both KPI’s.
- ✓ **Fleet Analyst appointment** – The Corporation appointed a Fleet Analyst in 2017, with their responsibilities including data analysis, fleet replacement analysis and reporting.
- ✓ **Winter tire inventorying** – A physical inventorying of winter tires was undertaken by Fleet Services and all tires are now captured in the MMS system against each vehicle.

### Areas for development

We have highlighted below a summary of the recommendations addressed as either partly implemented or not implemented. Further details can be found in Section Two.

- **Fleet utilization** – There is no formal analysis undertaken by Fleet Services of the utilization of vehicles to determine whether they are being utilized appropriately. We were informed that the data is available to Fleet Services however the analysis has yet to be undertaken. **(Recommendation Three)**
- **KPI monitoring (remaining quality KPI’s)** - The remaining quality KPI’s within the NAPA contract are not being monitored in full. Whilst the monthly KPI report received from NAPA includes data relating to these KPI’s, the data is not specific and does not clearly show the performance levels against the KPI’s stipulated in the NAPA contract. **(Recommendation Two)**
- **Specification templates** - The Fleet Analyst is in the process of developing tender specifications for each asset class. There are 93 different asset classes across Fleet Services and around 40 different specification templates to develop. At the time of the audit 10 templates had been completed. **(Recommendation Eight)**



## Recommendations raised

The table below provides a summary of the progress made against each of the eight recommendations raised in our April 2017 review.

	High	Medium	Low	Total
Raised and accepted in April 2017	2	3	3	8
Implemented	1	2	2	5
Partly Implemented	1	0	1	2
Not Implemented	0	1	0	1

## Acknowledgement

We thank the staff involved for their help in completing this review.

## Contact Information

The contacts at KPMG in connection with this report are:

Tony Malfara, Partner

Tel: (416) 777-3461

[tmalfara@kpmg.ca](mailto:tmalfara@kpmg.ca)

Nick Rolfe, Partner

Tel: (416) 777-3543

[nicholasrolfe@kpmg.ca](mailto:nicholasrolfe@kpmg.ca)

Robert Hacking, Senior Consultant

Tel: (416) 777-5247

[robhacking@kpmg.ca](mailto:robhacking@kpmg.ca)



## Section Two

### Summary of follow-up work performed

In line with the objectives of the audit, we have assessed the progress made by the Corporation against the recommendations raised in our April 2017 audit report of Fleet Purchasing and Inventory. A total of eight recommendations were raised in our 2017 review where controls could be further strengthened; including two high risk, three medium risk and three low risk recommendations. Our follow-up findings can be seen in the table below, which were obtained through enquiry with management and examination of documentation where relevant. We have assessed each recommendation as either implemented, partly implemented, or not implemented, and raised further recommendations where appropriate.

#	Risk	Recommendation and 2017 management response	KPMG March 2018 update and Recommendations	Further Management comments
1	High	<p><b>Fleet Analysis and Data Availability</b></p> <p><u>Recommendations:</u></p> <p>A. Fleet Services management should undertake analysis of further vehicles using the data available to determine whether to replace or maintain assets. This analysis should be undertaken against a Framework which is deemed suitable for the Corporation. The analysis should be undertaken on a routine basis in the future.</p> <p>B. A resource should be identified with the necessary skills to help to provide reporting on the fleet, analyze fleet for replacement and support replacement efforts through development of RFPs. We provide</p>	<p><b>Implemented</b></p> <p>A Fleet Analyst was appointed by the City in August 2017. Their responsibilities include data analysis, fleet reporting and analysis for fleet replacements.</p> <p>Fleet replacement analysis is undertaken on an annual basis across all assets due for replacement, the last review of which was undertaken in August 2017. This is done through analysis of the 3 year average of maintenance expenses related to each asset, while taking mileage and overall asset shape into consideration. In order to undertake this analysis, information is extracted from MMS by the Fleet Analyst. As identified in our 2017 audit, the MMS system does not provide reporting in an efficient and “easy to process” fashion and so requires input and additional analysis from the Fleet Analyst. Since the previous audit we were informed that the process for recording this analysis has improved. Examination of the review undertaken in August 2017 confirmed this. A total of 29 vehicles were identified as reaching the end of their</p>	N/A



#	Risk	Recommendation and 2017 management response	KPMG March 2018 update and Recommendations	Further Management comments
		<p>guidance in the form of a mandate for a Fleet Analyst.</p> <p>C. The recording of key information relating to maintenance costs should be reviewed to ensure its accuracy, particularly labour costs assigned to work orders and tires.</p> <p>D. In the longer term, Fleet Services should continue to engage with Finance, and IT management on the Enterprise Asset Maintenance Management System (MMS) to ensure this project will allow necessary data to be pulled in a timely efficient and manner.</p> <p><b><u>April 2017 management response</u></b></p> <p>A) Agreed - Deadline: 08/31/2017</p> <p>B) Agreed - Deadline: 08/31/2017</p> <p>C) Agreed - Deadline: 08/31/2017</p> <p>D) Agreed - Deadline: Q1 of 2018</p>	<p>lifecycle of which fleet identified 25 which needed replacing. These were submitted to the Council in January 2018 of which 17 were approved based on the budget available.</p> <p>The process for assigning labour costs against work orders has been enhanced. Previously, hours were recorded against vehicles without clear oversight of what was charged. Staff now log their timesheets against each asset and the Interim Fleet Manager reviews the labour costs assigned as part of the payroll process. In addition, tire costs are now reflected in MMS to allow for easier monitoring.</p> <p>Fleet Services are in the process of choosing a vendor for a new fleet management system to replace MMS. The current MMS system does not provide reporting in an efficient manner, with reports requiring further analysis and "breaking down" by the Fleet Analyst to be suitable for use. Fleet Services stated that a decision on the chosen vendor is expected by April 2018 however depending on the chosen vendor the process to roll out the new system may take 1-2 years.</p>	
2	High	<p><b>Monitoring of NAPA KPI's</b></p> <p><u>Recommendation:</u> Fleet Services should monitor the 80% fill rate KPI monthly and engage in regular discussions with NAPA if the figure is below target to hold them to account. As information becomes available, Fleet</p>	<p><b>Partly Implemented</b></p> <p>The 80% fill rate KPI is now monitored on a monthly basis by Fleet Services through receipt of the KPI report from NAPA. The KPI report also includes progress against the "10% of the remaining items will be available within 24 hours of the request" KPI. For a sample of three months (November – January 2018) we noted that KPI reports</p>	<p><b>Management agrees with the recommendation.</b></p> <p>A meeting with NAPA management will further</p>



#	Risk	Recommendation and 2017 management response	KPMG March 2018 update and Recommendations	Further Management comments
		<p>Services should also monitor other quality KPIs as set out in the NAPA contract.</p> <p><b><u>April 2017 management response</u></b></p> <p>Agreed – Deadline: 03/31/2017 (monthly)</p>	<p>were received from NAPA for each month and targets for the above KPI’s were being met. In addition, in 2017 the 80% fill rate KPI averaged 83% across the year, and the 10% availability KPI was met for each month.</p> <p>The remaining quality KPI’s within the NAPA contract are not currently being monitored in full. Whilst the monthly KPI report received from NAPA includes data relating to these KPI’s, the data is not specific and does not clearly show the performance levels against the KPI’s stipulated in the NAPA contract.</p> <p>The content of the KPI reports currently received by Fleet Services should be revised to include full performance data and performance levels against the remaining quality KPI’s stipulated in the NAPA contract.</p>	<p>enhance reporting requirements.</p> <p>Owner: Aaron McLeod – Interim Fleet Manager</p> <p>Due date: Q3 2018</p>
3	Med	<p><b>Analyze the Utilization of Fleet Vehicles</b></p> <p><u>Recommendation:</u> We recommend that Fleet Services conduct further analysis of the vehicle fleet and assess customer requirements to determine whether vehicles are being utilized efficiently. Moreover, Fleet Management should consider using a “compensate” model instead of owning vehicles where practical to optimize cost.</p> <p><b><u>April 2017 management response</u></b></p> <p>Agreed – Deadline: 06/30/2017</p>	<p><b>Not Implemented</b></p> <p>As part of the bi-annual license renewal process, the Interim Fleet Manager reviews the mileage incurred by each light vehicle before sending off licensing applications to Service Ontario. However this process does not include a full analysis of the utilization of each vehicle within the different asset classes and calculation of the average mileage across vehicles to determine whether they are being utilized appropriately. We were informed that the data is available to Fleet Services to undertake this analysis however the analysis has yet to be undertaken.</p> <p>Fleet Services reviewed the prospect of paying staff mileage for their own vehicles however this was deemed impractical, mainly due to the conditions of the roads where staff were travelling and the requirement for staff to</p>	<p><b>Management agrees with the recommendation.</b></p> <p>Fleet management currently reallocates vehicles throughout the organization based on utilization. Vehicles are closely monitored and challenged accordingly. Some of the identified assets are required based on weather requirements in order to meet service levels.</p>



#	Risk	Recommendation and 2017 management response	KPMG March 2018 update and Recommendations	Further Management comments
			<p>carry extra tools and equipment, which would not be practical to do so in their own vehicles.</p> <p>We have undertaken further analysis of the utilization of vehicles. Please see Appendix A of this report.</p> <p>Going forward, Fleet Services should undertake a formal analysis of the vehicle fleet to determine whether vehicles are being utilized efficiently. We acknowledge that there are other factors affecting the utilization of vehicles, such as hourly usage and engine utilization, which should also be considered by Fleet Services when undertaking analysis of the vehicle fleet. This should include a review of the data recorded (e.g. mileage data entered by operators) to confirm its accuracy. This review should be undertaken on a periodic basis and evidence of the review, and any subsequent action, should be clearly documented.</p>	<p>Waste vehicles do not have high mileage but are constantly running in order to perform their routes.</p> <p>Reviews of all vehicles will be performed quarterly.</p> <p>Owner: Aaron McLeod – Interim Fleet Manager and Derek Persaud – Fleet Analyst</p> <p>Due date: Q2 2018</p>
4	Med	<p><b>Change in Fleet Replacement Strategy and Methodology</b></p> <p><u>Recommendation:</u> We recommend that the fleet replacement strategy and methodology be modified so only Fleet Services may seek approval from City Council for vehicle or equipment purchases. This change will allow one service standard to be set for the fleet across the Corporation, ensuring that vehicles are fit for the intended purpose.</p> <p><u>April 2017 management response</u></p>	<p><b>Implemented</b></p> <p>All requests for vehicle and equipment purchases are now processed centrally through Fleet Services, with this change in process being communicated to all relevant customer departments. The Interim Director of Operations Services identifies any purchases requested outside of Fleet Services through analysis of the budget reports for new purchases.</p> <p>The Interim Director of Operations Services stated that since the previous audit no instances of customer departments seeking approval directly from City Council have occurred. Whilst this could not be validated in full, our review identified reasonable steps have been taken since the previous audit to prevent requests being made outside</p>	N/A



#	Risk	Recommendation and 2017 management response	KPMG March 2018 update and Recommendations	Further Management comments
		Agreed – Deadline: 10/31/2017	of Fleet Services, and as a result we have not raised any further recommendations.	
5	Med	<p><b>Segregation of Duties in Requests for New Parts and Servicing</b></p> <p><u>Recommendation:</u> We recommend meeting with IT to see if MMS can be configured to segregate the duties between the individual ordering parts and the part reviewer. If MMS cannot provide this configuration, we recommend IT build a report which lists work order #, ID of orderer, and ID of receiver. The Manager, Waste &amp; Environmental Programs &amp; Fleet Services, should review this report on a monthly basis and investigate any instances where the same individual has ordered and received parts.</p> <p><u>April 2017 management response</u></p> <p>Agreed – Deadline: 08/31/2017</p>	<p><b>Implemented</b></p> <p>Individuals within Fleet Services are still able to order and review orders for parts before the orders are placed. We were informed by the Interim Fleet Manager that, due to the large numbers of orders processed, obtaining approval for each part before the order is placed would not be an appropriate use of resources.</p> <p>Ordered parts are received on the MMS system by either the Service Administrator or Interim Fleet Manager. A weekly reconciliation of what has been ordered and by whom is undertaken by the Service Administrator to identify any anomalies, with random spot checks also undertaken by the Fleet Analyst. We confirmed for a sample two weeks in February 2018 that reconciliations of ordered parts had been undertaken.</p>	N/A
6	Low	<p><b>Calculation of Fleet Replacement Rates</b></p> <p><u>Recommendation:</u> We recommend that Finance challenge Fleet’s replacement cost values on a go-forward basis.</p> <p><u>April 2017 management response</u></p> <p>Agreed – Deadline: 10/31/2017</p>	<p><b>Implemented</b></p> <p>Asset classes are reviewed on an annual basis by Fleet Services and replacement rates updated accordingly. Replacement rates are no longer calculated using the cost of purchase and a 1% annual inflation factor. Instead, fleet review the cost of the vehicle at purchase and costs of similar vehicles recently purchased to determine the replacement rates.</p>	N/A



#	Risk	Recommendation and 2017 management response	KPMG March 2018 update and Recommendations	Further Management comments
			Finance have access to the asset class review undertaken by Fleet and so are able to challenge Fleet's cost values. The Interim Director of Operations Services stated that challenge was provided from Finance during the most recent review through meetings held between Finance and Fleet Services.	
7	Low	<p><b>Formal Inventorying of Winter Tires</b></p> <p><u>Recommendation:</u> We recommend formally inventorying winter tires within an electronic system and performing asset counts annually. This would provide better tracking of the tire assets.</p> <p><u>April 2017 management response</u> Deadline: 05/31/2017</p>	<p><b>Implemented</b></p> <p>A physical inventorying of winter tires was undertaken by Fleet Services and all tires are now captured in the MMS system against each vehicle. In addition, an excel spreadsheet is used by Fleet Services to track the location of tires, as the MMS system cannot support this. Amongst other considerations, Fleet Services should consider a systems ability to track and provide accurate tire inventorying as part of their vendor selection for a new fleet management system.</p> <p>Asset counts are undertaken, at least, on an annual basis by the Interim Fleet Manager. The latest review in October 2017 identified no exceptions. The next count is due in Spring 2018.</p>	N/A
8	Low	<p><b>Vehicle Specification Guidance and Templates</b></p> <p><u>Recommendation:</u> We recommend that Fleet and Purchasing increase the efficiency of the tender process by working cooperatively to clarify the "do's and don'ts" of specification writing taking into consideration the requirements of the Purchasing By-law,</p>	<p><b>Partly Implemented</b></p> <p>The Fleet Analyst is in the process of developing specifications for each asset class with assistance from the Interim Director of Operations Services. There are 93 different asset classes across Fleet Services and around 40 different specification templates to develop. At the time of the audit 10 templates had been completed.</p>	<p><b>Management agrees with the recommendation.</b></p> <p>Remaining specifications will be completed as they come up for renewal. Having templates in order to</p>



#	Risk	Recommendation and 2017 management response	KPMG March 2018 update and Recommendations	Further Management comments
		<p>including the creation of a base specification template.</p> <p><b><u>April 2017 management response</u></b></p> <p>Deadline: End of Q2 2017</p>	<p>Fleet Services should ensure the remaining specifications are completed, and review the effectiveness of these templates in reducing the overall duration of the tender process.</p> <p>The “do’s and don’ts” of specification writing have been clarified through meetings held between Fleet Services and Purchasing. It is expected that 1-2 weeks will be saved during the purchasing process once all templates have been completed.</p>	<p>cover over 40 different asset classes will take time. All templates are presently saved and managed by the Fleet Analyst. 10 templates already exist.</p> <p>Owner: Aaron McLeod – Interim Fleet Manager and Derek Persaud – Fleet Analyst</p> <p>Due date: On-going (remaining specifications to be completed at the time of asset renewal)</p>

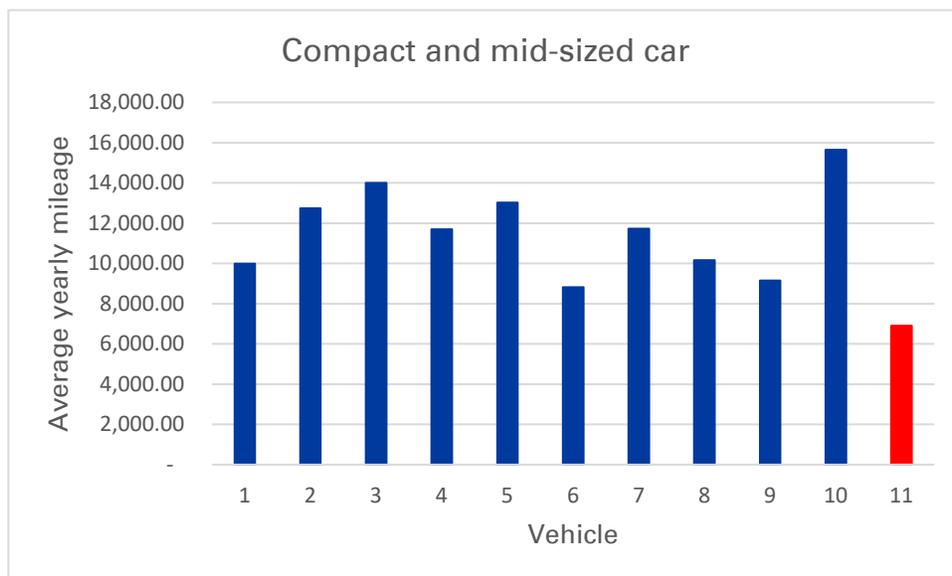


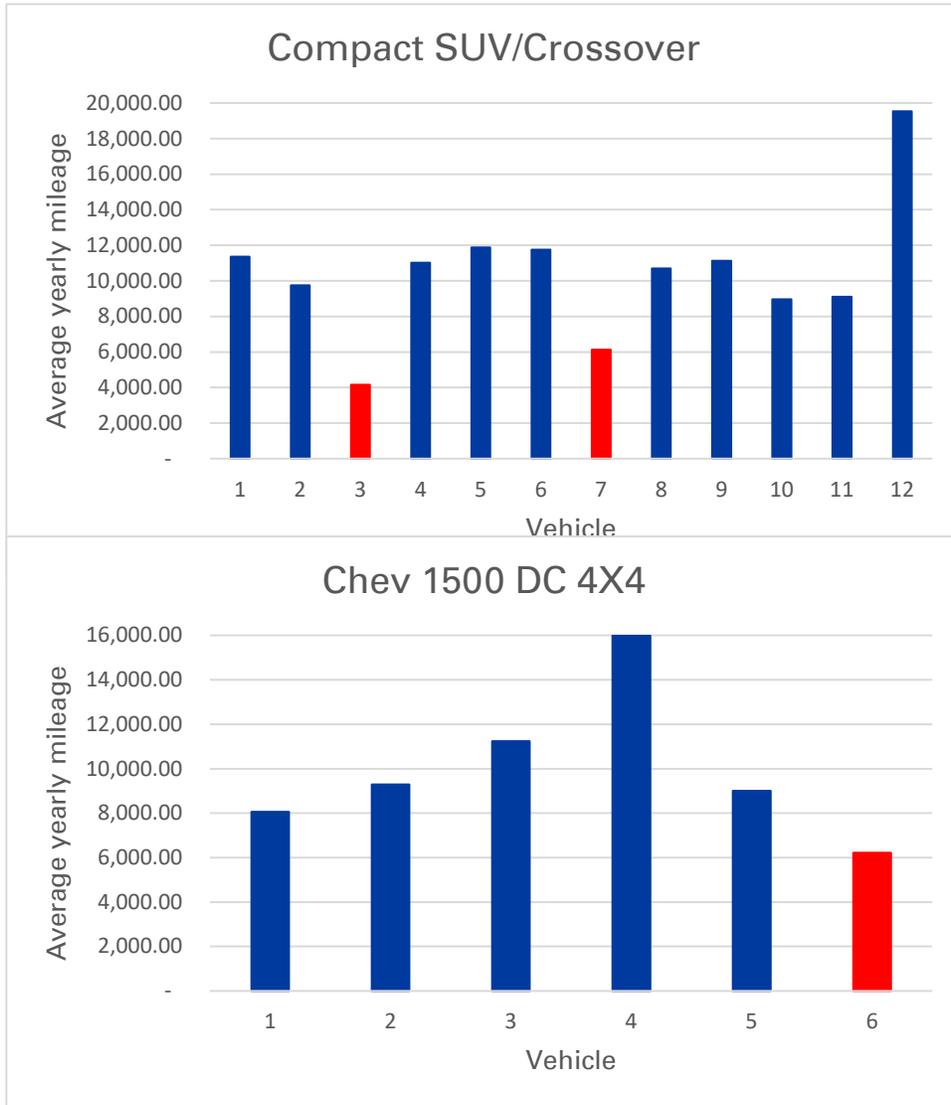
## Appendices

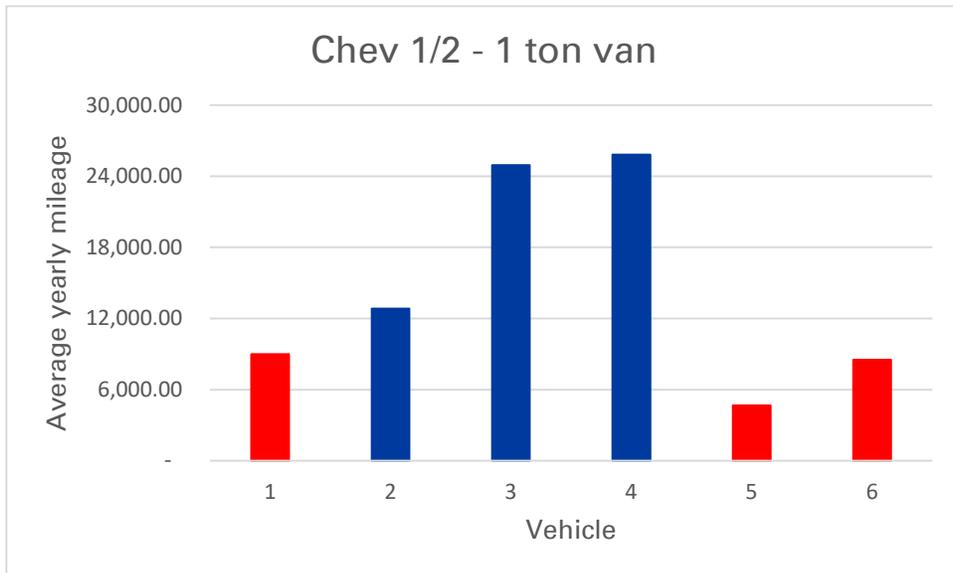
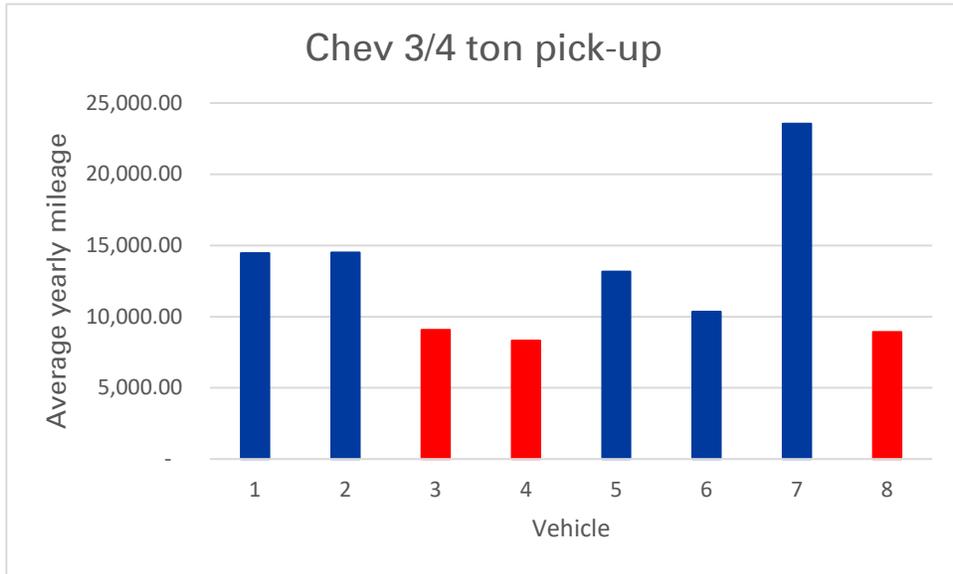
### Appendix A: Fleet vehicle utilization analysis

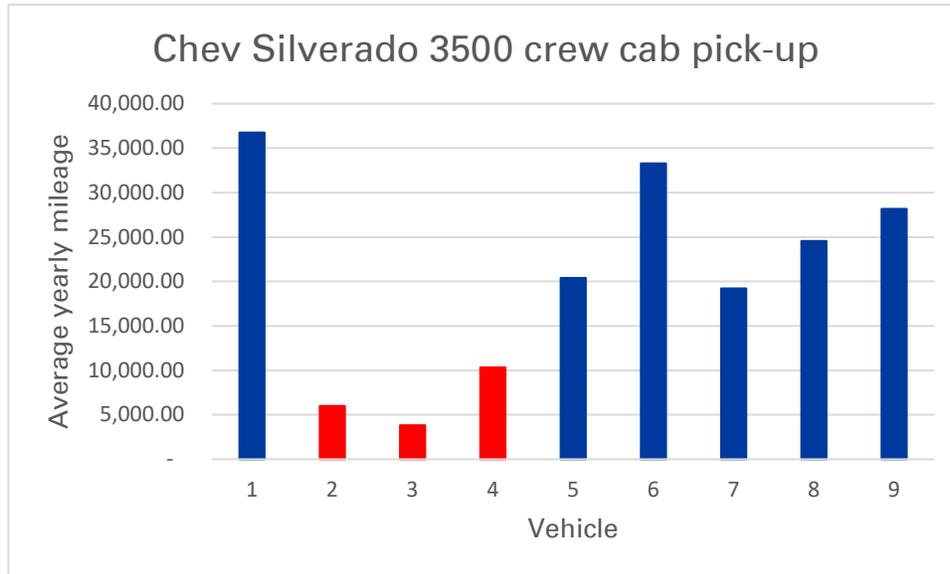
We have undertaken further analysis on the utilization of fleet vehicles (including light vehicles – Class 0-9) used across the Corporation. A report was obtained from the Interim Fleet Manager showing the accumulated mileage incurred across 142 fleet vehicles up to December 31 2017. From this, we calculated the average yearly mileage (in km) for each vehicle based on the vehicle purchase date and the mileage incurred up to the end of 2017. We extracted the vehicle purchase year from the vehicle ID. For the purpose of this analysis, we assumed that vehicles were purchased on 1 July, i.e. halfway through, their purchase year. Our analysis identified some vehicle classifications with a variety of average yearly mileages, which suggests that some assets within the fleet could be better utilized. We have included these in the graphs below and highlighted any potential anomalies in red.

*We have not audited the accuracy of the data and so have placed reliance on the data provided to us by Fleet Services. While we did exclude two vehicles with excessive mileage readings (see commentary on page 17), we relied on the data provided for the remaining vehicles.*









#### KPMG summary

We have highlighted 13 vehicles which could be utilized better based on our assessment of the average yearly mileage of vehicles up to the end of 2017. We have assessed these as anomalies based on our review of the mileage across the remaining vehicles within the same vehicle classification, and considered whether mileages across multiple vehicles could be combined and incurred by one vehicle. Fleet Services should review these and assess whether they can be better utilized, or if they are still needed.

Our testing also identified errors in the data we were provided with, which were excluded from our analysis. For eight vehicles, mileage readings up to the end of 2016 were greater than those up to the end of 2017, which should not occur as the mileage is recorded as an accumulative figure. In addition, for two vehicles we identified mileage errors where the yearly mileage did not seem appropriate given the previous year (100,000kms and 200,000kms difference between the end of 2016 figure and 2017 figure). We were informed that this is caused by human error by operators when entering mileage data at the time of fuelling. As part of the review and assessment of mileages incurred, management should review the appropriateness of the mileages incurred in order to identify any errors in the data recorded.



## Appendix B: Staff involvement and documents reviewed

We undertook interviews in February and March 2018 with key stakeholders to inform this work, including:

Name	Title
Mike Saulnier	Interim Director of Operations Services
Aaron McLeod	Interim Fleet Manager
Derek Persaud	Fleet Analyst

We received the following documentation over the course of fieldwork:

- Reported NAPA KPI reports for a sample of three months and consolidated reports for the 2017 calendar year
- Fleet maintenance cost data
- Asset replacement analysis spreadsheet
- Example specification template
- Budget approval tracker for replacement assets submitted to Council in January 2018
- Vehicle mileage reports for the 2016 and 2017 calendar years