

# Action Plan

**Audit Follow-up Review of:** Corporate Fleet Management

**Date:** September 2016

**Action Plan Contacts:**

Jim Espley – Waste & Transport Manager

Chris Brown – Fleet Maintenance Manager

Jason Ballard – Corporate Road Risk Advisor

Corporate Risk/Issue Severity Key	
	<b>Critical</b> – Significant CET and Cabinet intervention
	<b>Major</b> – intervention by SLT and/or CET with Cabinet involvement
	<b>Moderate</b> – Containable at service level. Senior management and SLT may need to be kept informed

Risk/Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
1.	The Transport Policy is out of date and was removed from the intranet for this reason. Without effective communication of each driver’s responsibility and acceptable use of Council vehicles, there is a risk that non-compliance is not taken seriously. Communication is needed at all levels of the organisation, supported by the Senior Leadership Team (SLT) to ensure that it is read and applied by all employees.	<p>The Waste &amp; Transport Manager will present the revised Transport Policy at a SLT meeting to promote staff awareness and get senior management buy-in.  <b>Waste &amp; Transport Manager – December 2015</b></p> <p><b>Progress at last follow up – In progress</b>                      The review of the Transport Policy is now complete and the Waste and Transport Manager will request for it to be included on the next SLT meeting agenda. This will be supplemented with a one page summary for SLT to be made aware of key changes.</p> <p>There are also plans for separate Drivers Handbook for drivers to reference to key matters.  <b>Revised date April 2016</b></p>	<p><b>In progress</b>                      Sections within the Transport Policy have been reordered to provide better focus and clarity for the drivers and managers that it is applicable to. This is supplemented by ‘Driving for Denbighshire - Managers Guide’ and ‘Vehicle Manual’ to provide specific instructions to drivers and managers.</p> <p>Attempts to get the Transport Policy on the SLT agenda have so far been unsuccessful and so the Waste &amp; Transport Manager will instead communicate via attendance at service management team meetings and service review meetings.</p>	Communicate the new policy and guidance to relevant managers and drivers.

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
2.	<p>Ineffective identification of vehicles reaching the end of their economic life can lead to unnecessary costs e.g. extra maintenance work needed and leasing to replace vehicles that are no longer serviceable.</p>	<p>Lists of vehicles will be reviewed at Fleet &amp; Service Review meetings to identify vehicles that are reaching an end of their economic life. An assessment on the continued use or replacement will be identified and recorded.</p> <p>(Meetings with Street Scene, Building Services, Street Lighting and Housing Services have taken place, with Waste Services, Countryside Services and Social Services left to do).</p> <p>Service users will be trained on how to interpret and use the monthly management information report, which will help them to understand which vehicles are no longer economical to maintain.</p> <p><b>Waste &amp; Transport Manager / Fleet Performance Manager – January 2016</b></p> <p><b>Progress at last follow up – In progress</b> Service review meetings have been held with the main service users and the Waste &amp; Transport Manager has devised a schedule for other service users.</p> <p>At these meetings, the Waste &amp; Transport Manager will go through the monthly management information report and, if needed, provide support to service managers on its use and interpretation to identify vehicles that are costly to maintain so that they can plan for their replacement where relevant.</p> <p><b>Revised date April 2016</b></p>	<p><b>Complete</b></p> <p>This is included on the agenda for each Fleet &amp; Service User Meetings. Meetings have been held/arranged with:</p> <ul style="list-style-type: none"> <li>- Street Scene</li> <li>- Social Services</li> <li>- Building Services</li> <li>- Waste Services</li> <li>- Street Lighting</li> <li>- Countryside Services</li> <li>- Leisure Services</li> <li>- Property Services</li> </ul> <p>Minutes of the Countryside Services meeting show that Fleet Services has advised service managers of its ageing fleet vehicles and prompted them to review which vehicles need replacing so that procurement activity can be initiated.</p> <p>The Waste &amp; Transport Manager confirmed that Building Services prefers to replace vehicles every five years, rather than extending to seven years, to maintain a fresh image and ensure that the vehicles are reliable.</p>	<p>We are satisfied that a process has been established and Fleet Services will continue to prompt services to review their aged vehicle profile at future Fleet &amp; Service User Meetings.</p>

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
3.	<p>Although it has improved, communication between Fleet Services and service users (and vice versa) is causing avoidable service downtime. Fleet Services has recently started to meet key service user representatives to discuss performance and recurring issues. Periodic meetings should be arranged with all fleet user services, with a set agenda and a record kept of the agreed actions for both parties.</p>	<p>Fleet &amp; Service Review meetings are scheduled, a standard agenda is defined (although additional agenda items can be added), and minutes are now formally recorded.  <b>Waste &amp; Transport Manager / Fleet Performance Manager – December 2015</b></p> <p><b>Progress at last follow up – In progress</b>  Some service review meetings have been held with key service user representatives and a schedule of future service review meetings has been set to cover all service users.  <b>Revised date April 2016</b></p>	<p><b>Complete</b></p> <p>Fleet &amp; Service User Meetings have now taken place with all main service users with an agreed schedule of upcoming meetings arranged for the remainder of the year.</p> <p>The set agenda for each meeting includes:</p> <ul style="list-style-type: none"> <li>- Procurement</li> <li>- Maintenance</li> <li>- Compliance</li> <li>- Any other Business</li> </ul>	<p>We are satisfied that meetings are helping to improve communication between Fleet Services and its main service users.</p> <p>Although this matter will be an ongoing one for Fleet Services and its service users, we are satisfied with action taken to date and so we will not need to review this matter again.</p>
4.	<p>Few formal agreements are in place with Fleet Services' external customers to protect its cash flow and contractual position by stipulating a cooling off period for ending a maintenance arrangement.</p>	<p>A trigger of £15,000 will be introduced, whereby when an external customer's work exceeds this defined value, a service level agreement will be issued (to include provision for 30-day notice of service break).  <b>Fleet Performance Manager – December 2015</b></p> <p><b>Progress at last follow up – No progress</b>  The Waste &amp; Transport Manager, in discussion with Finance, to set up a mechanism for notifying Fleet Services when a supplier was nearing the threshold.</p> <p>The Principal Finance Officer confirmed that they would not have the necessary information to identify which external customer was nearing the threshold.  <b>Revised date April 2016</b></p>	<p><b>No progress</b></p> <p>The Finance &amp; Assurance Officer and Fleet Administrative Officer will review the income received from each external customer to ascertain which need a formal maintenance agreement.</p> <p>The potential for running periodic reports from the sundry debtor system will be investigated.</p>	<p>Establish a process to alert Fleet Services when services provided to external customer reach a level where they require a formal agreement.</p>

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
5.	<p>Fleet Services has limited policies and procedures in place to guide consistent practices, support business continuity, and health and safety or fraud investigation. This includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• guidance for new workshop employees; and</li> <li>• disposal of vehicles i.e. redeployment, available methods for disposal, treatment of proceeds from sales, and capture the reason and approval for the disposal.</li> </ul>	<p>Current policies and procedures in place include:</p> <ul style="list-style-type: none"> <li>• Health and safety – risk assessments, safe working procedures are in place.</li> <li>• Toolbox talks are regularly provided to staff (and recorded).</li> <li>• New employees are inducted via use of the corporate induction form.</li> </ul> <p>This will be supplemented by:</p> <ul style="list-style-type: none"> <li>• As part of the induction process, new employees will be required to read health and safety procedures and sign to evidence this. This will incorporate emergency procedures, accident reporting and first aid.</li> <li>• Disposal of vehicles will be incorporated into the Transport Policy (see Risk/Issue 1).</li> </ul> <p><b>Waste &amp; Transport Manager / Fleet Performance Manager / Fleet Maintenance Manager – October 2015</b></p>	<p><b>Completed at last follow up</b></p> <p>The Corporate Induction Pack is used along with site specific guidance that has been developed.</p> <p>A HSE inspection (December 2015) of the Fleet Depot advised Fleet Services that new starters should be given the necessary Safe Working Procedures to read and then conduct a test to evaluate their understanding to make sure is it sufficient. This will be applied to future new starters, and a record kept.</p> <p>New HGV fitter started in February 2016, so scope to check that records in place as described.</p> <p>Disposal Procedures are included in the recently revised Transport Policy.</p>	

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
6.	<p>The Fleetmaster system is a legacy system with limited vendor support and its reporting function is weak. There is an opportunity to streamline the workshop's paper-heavy processes and reduce non-productive time through using a more modern fleet management system.</p>	<p>A business case for a new system will be developed (ICT to be part of any subsequent procurement). Funding streams e.g. Modernisation Board will be investigated to cover the purchase cost.  <b>Waste &amp; Transport Manager / Fleet Performance Manager / ICT – April 2016</b></p> <p><b>Progress at last follow up – Not yet due</b>  Fleet Services is in discussion with its ICT Business Partner (Rob Douglass) and developing specification for the replacement software.</p> <p>All neighbouring Councils use the same specialist software (i.e. Tranman) and so options and costs are currently being investigated.</p>	<p><b>No progress</b></p> <p>Specification for a new system and business case has yet to be developed.</p>	<p>Fleet Performance Manager will explore available systems and develop the system requirements with assistance from ICT Business Partner.</p>
		<p>If agreed, a new fleet management system will be implemented to replace the existing Fleetmaster system.  <b>Waste &amp; Transport Manager / Fleet Performance Manager / ICT – April 2017</b></p> <p><b>Progress at last follow up – Not yet due</b></p>	<p><b>Not yet due</b></p> <p>The Fleet Manager believes that this date is still achievable despite the estimated time for completing a business case having slipped.</p>	
7.	<p>Although two thirds of the employees that drive a Council vehicle have completed a form (D796) allowing Fleet Services to check their driving licence validity, there is no evidence that managers check driver licences as</p>	<p>As per Risk/Issue 1, the Transport Policy will be updated to clarify roles and responsibilities for carrying out driver licence checks.  <b>Waste &amp; Transport Manager – December 2015</b></p>	<p><b>Completed at last follow up</b></p> <p>Transport Policy &amp; Procedures have been updated to include this requirement. See Risk Issue 1 for further details.</p>	<p>Link to Risk/Issue 1. Once the Transport Policy obtains all necessary approval, it needs to be communicated to all relevant users.</p>

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
	<p>part of the recruitment and selection process for a post that involves driving. This is necessary to show that the Council only employs individuals who are competent to carry out their roles.</p>	<p>Online driving licence checks will be introduced as part of the recruitment process. All new members of staff will be asked to complete the D796 form at the time of appointment i.e. when other checks are carried out on work references and eligibility to work in the UK.</p> <p><b>Waste &amp; Transport Manager/Fleet Performance Manager / Head of Legal, HR &amp; Democratic Services – In place (HR process introduced)</b></p> <p><b>Progress at last follow up – In progress</b> HR has a new process whereby it issues forms to successful candidates (positions that require driving a Council vehicle) as part of the recruitment process. Once returned, HR forwards the completed form to Fleet Services.</p> <p>In November 2015, Fleet Services issued the D796 form to all employees who drive a Council vehicle and a majority have returned the completed form (1050 employees approx. 90%). Gaps are mostly Social Services and Education staff that drive Council vehicles.</p> <p>HR has asked Fleet Services to carry out checks on the remainder of Council employees (i.e. those that use their own car on Council business only), whereby HR issues and collect the forms and forwards to Fleet Services for processing.</p> <p><b>Revised date April 2016</b></p>	<p><b>Complete</b></p> <p>A new process is now in place whereby HR issues a D796 form to all new starters. The Fleet Manager confirmed that coverage of drivers and eligibility to drive is much improved and therefore reduces this risk.</p> <p>Fleet Services is liaising with HR about how to capture all existing employees to include grey fleet and a few Council vehicle drivers whose eligibility to drive is not currently being checked.</p>	<p>Further work is underway to ensure that all drivers' eligibility to drive is checked.</p> <p>We are satisfied that a process is in place to reduce this risk and action is being taken to ensure that eligibility to drive is checked for all employees who drive on Council business.</p>

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
8.	<p>Details of incidents and near misses captured in insurance claims are not always reviewed to prevent recurrence. This would help the Council to take action to reduce the risk of such incidents recurring and safeguard the public and employees from potential harm. This issue was raised in our previous audit 2010/11.</p>	<p>As per Risk/Issue 1, the Transport Policy will be updated to include the requirement for drivers of corporate vehicles to report incidents in such a way that it will trigger a review and remedial action where necessary. <b>Waste &amp; Transport Manager - December 2015</b></p>	<p><b>Completed at last follow up</b></p> <p>The Transport Policy has been updated with details on what to do in the event of an accident i.e. complete an incident form which goes to the Corporate Road Risk Advisor and the Insurance &amp; Risk Manager.</p> <p>It also highlights the need to update the Incident Management Database which prompts a driver performance review by the Corporate Road Risk Advisor to address any poor driving practices.</p>	<p>Link to Risk/ Issue 1. Once approved, the Policy will need to be circulated to raise awareness of all relevant officers.</p>
		<p>Employees and line managers will be reminded that the Incident Management Database (on the intranet) should be completed following an incident involving a Council vehicle. The accident management procedure will be set out at each Fleet &amp; Service Review meeting. <b>Waste &amp; Transport Manager / Services - In place</b></p>	<p><b>Completed at last follow up</b></p> <p>As above, a prompt is now included in the Transport Policy with a link to the Incident Management Database which is available on the intranet.</p> <p>Service Review Meetings have been scheduled and this will form part of the agenda for the meeting.</p>	
		<p>The Corporate Road Risk Advisor will review insurance claim forms relating to road traffic incidents to ensure that all are captured on the Incident Management Database. If any are missed, Health and Safety will escalate with the relevant line manager and, if it is a recurring problem, the Head of Service. <b>Corporate Road Risk Advisor - October 2015</b></p>	<p><b>Completed at last follow up</b></p> <p>The Corporate Road Risk Advisor confirmed that he gets the information through the Incident Management Database and puts into action any assessments that need doing, mainly through the respective managers.</p>	

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
9.	Council vehicles over 12 years of age are not being maintained in line with the VOSA Guide to Maintaining Roadworthiness. This states that vehicles over 12 years of age should have safety checks every 6 weeks, as they are more prone to defects. The Council must notify the Traffic Commissioner if maintenance is done less often, giving the reason.	The Council has spoken with the Traffic Commissioner regarding this point and he is satisfied with the inspection frequency regime currently in place (given the Council's excellent maintenance procedures and records). <b>Fleet Performance Manager – Complete</b>	<b>Completed at last follow up</b> Verbal confirmation from the Traffic Commissioner that he is satisfied with the Council's current arrangements.	
10.	Fuel management costs recharged to services are not an accurate reflection of the actual costs.	There is a fuel management on-cost of 6%, which does not go to Fleet, it goes to stores. The 6% charge for stores is excessive. A 2% on-cost (1% to fleet, 1% to stores) would be fairer. This will be discussed with Head of Street Scene (who covers Stores). <b>Waste &amp; Transport Manager/ Head of Street Scene/ Chief Finance Officer – November 2015</b>	<b>No further action intended</b> Street Scene Manager informally agreed. The Waste & Transport Manager contacted the Principal Finance & Assets Officer to revise the current method used. A decision was taken to keep the fuel 'oncost' at 6% rather than change it. The 'oncost' only applies to bunkered fuel and it is Street Scene and Waste which are the main users of this. As the 'oncosts' go to stores, if this was taken away, it would just be pushing money round in circles as Street Scene and Waste would have to fund the 6% because stores runs the depots for the Council.	



Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
11.	<p>The Council spends nearly £1m a year on fuel, yet there is no campaign to promote efficient use e.g. through altering driver style, inflating tyres correctly. Although the information is available through the tracker system and fuel reports, these are not currently sufficient to take effective action to reduce fuel use.</p>	<p>An updated fuel management procedure will be implemented to include:</p> <ul style="list-style-type: none"> <li>• the statement that fuel cards are to be used for business purposes only; and</li> <li>• a requirement to enter accurate odometer readings. Members of staff will have to read and sign the updated issue form before a fuel card or tracker fob is handed over.</li> </ul> <p><b>Fleet Performance Manager – In place</b></p> <p><b>Progress at last follow up – In progress</b> The Transport Policy has been updated to include the requirement for drivers to input accurate odometer readings when collecting fuel to allow accurate MPG readings.</p> <p>Fuel Card Acceptance Forms include a requirement for drivers to enter accurate odometer readings when re-fuelling to allow monitoring of fuel efficiency.</p> <p>The Waste &amp; Transport Manager will emphasise to service users at Service Review Meetings to review MPG data available in their Monthly Management Reports and encourage them to reduce fuel use.</p> <p>Waste &amp; Fleet Services are currently reviewing whether more fuel efficient vehicles can be used e.g. supervisors using small cars instead of pickups, which are less fuel efficient and unnecessary for that journey. There is scope for other services to follow suit.</p>	<p><b>Complete</b></p> <p>Fuel management procedure has been included in the updated policy to state that fuel cards are for use for business only, and odometer readings must be entered accurately.</p>	<p>The Waste &amp; Transport Manager will update the Fuel Management section of the Transport Policy to encourage more economical driving styles, e.g. maintaining accurate tyre pressure, avoiding harsh braking and excessive speeds.</p>

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
		<p>Investigate potential to introduce driver behaviour equipment in Council vehicles (Building Services and Street Scene) to highlight to drivers audibly when they are driving inefficiently.  <b>Waste &amp; Transport Manager/ Fleet Performance Manager – Initial assessment by December 2015.</b></p>	<p><b>Completed at last follow up</b>  Waste &amp; Fleet Services have looked into this jointly with Building Services. A verbal response was received from Gwynedd County Council that savings achieved from piloting driver behaviour equipment matched costs to install and therefore justification to proceed is borderline, and less attractive now that fuel prices have declined considerably.</p>	
		<p>Contact Gwynedd County Council Fleet Services to gain their feedback on the viability of the system.  <b>Waste &amp; Transport Manager/ Fleet Performance Manager – If viable, implement by March 2016</b></p>	<p><b>Completed at last follow up – See above</b></p>	

Risk/ Issue No.	Risk/Issue	Agreed Action Responsibility & Timescale	Current Status	Further Action Needed
12.	No stock checks are carried out to ensure that fuel is accounted for and to aid detection of any loss, waste or theft.	<p>Fleet Services will investigate the cost of installing a fuel tank gauge, which will provide:</p> <ul style="list-style-type: none"> <li>• accurate record of tank contents</li> <li>• accurate reading of fuel deliveries</li> <li>• warnings of any tank leakages</li> </ul> <p>If an electronic system is not deemed as financially viable, a manual system will be introduced and a stock check performed periodically.</p> <p><b>Fleet Performance Manager – Either electronic or manual system in place by December 2015</b></p> <p><b>Progress at last follow up – In progress</b> The Fleet Performance Manager has investigated costs for electronic solutions.</p> <p>The Waste &amp; Fleet Manager prefers a manual system but this has not progressed.</p> <p><b>Revised date April 2016</b></p>	<p><b>In progress</b></p> <p>Bunkered fuel tank dispensers are tested independently every six months to evaluate the condition of the tanks and assess calibration accuracy. At the end of the financial year, the Fleet Manager supplies data of fuel dispensed to Finance for reconciliation with fuel purchased.</p> <p>Fleet Services does not believe that fuel tank gauges (costing roughly £10k) offer value for money. Therefore, a new manual process has been agreed with the Street Scene Service whereby storekeepers will monitor and document fuel levels in the bunkers and e-mail the details to the Fleet Performance Manager each month for reconciliation.</p>	We will need to review this arrangement at a future date.
13.	Controls over fuel cards needs strengthening to reduce the Council's risk of fuel cards being misused. Fuel Card Acceptance forms should clearly state that fuel purchased using the fuel card is solely for business reasons.	<p>As per Risk/Issue 11, a fuel management procedure will be implemented and all members of staff will be required to sign a declaration that they have read it and agree to its contents. This will be rolled out to new employees and existing employees when fuel cards are renewed.</p> <p><b>Fleet Performance Manager – In place</b></p>	<p><b>Completed at last follow up</b></p> <p>The Fuel Card Acceptance Forms have been updated to make it clear that fuel cards are used for business reasons only.</p>	