

AUDIT TITLE: Highways Payroll Follow Up Review**Background**

1. This update has been prepared by Internal Audit, to provide an update on the implementation of a series of recommendations made following 'Highways Street Operations' audits in 2011 and 2014, for which the original audit opinion was 'limited assurance'.
2. A follow up audit in May 2015 noted that some progress had been made to implement the recommendations. In order to allow the directorate to allow the various initiatives and other changes to be embedded, audit opinion was 'deferred' at this time.
3. Interviews were held recently with management in the directorate in order to obtain an update on the recommendations outstanding in 2015. The narrative of the recommendation and the management response is set out in the next section of this report

Issues

4. **Audit Recommendation** A review of all acting up arrangements should be undertaken, to ensure the continued appropriateness of arrangements
Management Response - Acting up is required only for supervisor absence, with 4 operatives acting up on these occasions and the relevant form held in HRPS for each operative.
5. **Audit Recommendation** - Start and finish times for each job should be clearly shown on timesheets prior to authorisation by the supervisor. Management should consider using mobile scheduling technologies.
Management Response - System is being developed to facilitate recording of works orders on hand held sets, with a trial phase currently underway. Subject to the outcome, it is expected that mobile functionality will start to be rolled out across highways maintenance operations in April 2017. The expected benefits are replacement of the existing paper based system, more efficient scheduling of work, improved route planning and more accurate information for performance management purposes.
6. **Audit Recommendation** - Where planned works cannot be undertaken due to adverse weather conditions, staff should be given alternative jobs wherever possible, and remain available for work.
Management Response - This has been achieved through the creation of multi functional gangs, for whom job evaluation is now complete. Works managers allocate additional tasks to operatives e.g. filling grit bins and cleaning road signs.

7. **Audit Recommendation** - Overtime should not be paid for an entire shift, once work is complete or during adverse weather.
Management Response - There is no set shift duration e.g. '6 hours overtime', and operatives are paid for hours worked only.
8. **Audit Recommendation** - For HGV drivers, a written record of driver activity should be maintained either using a log book or tachograph, to be certified by supervisors
Management Response - HGV drivers are now using tachographs, except in the occasional 'old' vehicle or when using a hire vehicle, in which case a drivers log is completed and signed off by a supervisor.
The tachograph data must be downloaded to a 'tacho reader' on a regular basis (28 days maximum). Currently the only 'reader' in operation is at Lamby Way, and managed by CCTS, requiring drivers to make a special trip to get data downloaded. There is a 'reader' at the Brindley Road CTS facility, however it is apparent that no operative is available to use it. The unavailability of this equipment causes some inconvenience in terms of unnecessary trips to Lamby Way. Highways run circa 14 Large Goods Vehicles which require a LGV licence and therefore recording of drivers hours. 'Street Cleansing' vehicles which are fitted with tachos and operate from Brindley Road are also making the journey to Lamby Way.
9. **Audit Recommendation** - Supervisors should check timesheets and the Quartix daily vehicle logs to ensure appropriate use of vehicles
Management Response - Information from quartix is used in accordance with policy, and is subject to an ongoing process.
10. **Audit Recommendation** - A bespoke report should be produced from Quartix to show productive and non productive time.
Management Response - Works managers run off reports from works orders and Quartix to examine efficiency in view of identifying any spare capacity to enable additional works to be undertaken and potentially generate income.
11. **Audit Recommendation** – Need to use performance management information, and the undertaking of 'spot' site checks.
Management Response - The development of AMX, the development of multi functional gangs and the use of other monitoring information demonstrates the commitment to performance management.

Recommendations

12. To note and consider the management response in respect of Highways payroll.

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