

**MERTHYR TYDFIL COUNTY BOROUGH COUNCIL
INTERNAL MEMORANDUM**

To: Chief Officer
Planning & Neighbourhood Services

From: Audit Manager

Ref:

Ask For: Helen Harbord

Date: Tuesday, 24 September 2019

Tel.Ext 5156

Subject: Internal Audit Report – Fleet Management 2018/19 and 2019/20

I want to take this opportunity to thank you and your staff for the co-operation given during the audit process.

Please find enclosed a copy of the Final Internal Audit Report, a copy of which has also been sent to the Interim Chief Executive.

Also enclosed is a copy of the agreed Action Plan that you now need to sign. A Quality Control Questionnaire has also been enclosed for you to complete. I would appreciate it if you could return them to Internal Audit by Friday, 4th October 2019.

The recommendations made in the audit have been entered onto the Audit Action Plan (AAP) together with the agreed date for implementation.

Your AAP record must be reviewed and updated on a timely basis as they will be discussed at Corporate Management Team periodically.

In addition, progress on the implementation of recommendations will be reported to the Audit Committee periodically so it is important that you update the AAP's as necessary (we suggest you should do this on a quarterly cycle).

If you have any queries or comments please do not hesitate to contact Helen Harbord on the above telephone number.

Regards

Audit Manager

Interim Chief Executive

Merthyr Tydfil
County Borough Council

Internal Audit Final Report

Fleet Management

MANAGEMENT IN CONFIDENCE

Date of Audit: 2018/19 and 2019/20

Auditor(s): Helen L Harbord

Report Distribution: Interim Chief Executive

Date of Issue: 24th September 2019

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1.0 Introduction

- 1.1 As part of the audit plan for 2018/19 and 2019/20 a review was undertaken of the Fleet Management systems and procedures.
- 1.2 The system was examined using a matrix designed by Internal Audit to test the controls that should be in place within the Authority.
- 1.3 Sample testing was conducted for the 2018/19 financial year.
- 1.4 Acknowledgement is given to the staff concerned for their help and assistance during the course of the audit.
- 1.5 A copy of this report has been sent to the Interim Chief Executive. A copy will also be passed to the Audit Committee for them to monitor/comment upon recommendations made and accepted.
- 1.6 The report is addressed to appropriate Councillors and Officers and may contain confidential and/or privileged material. Any review, reproduction, external distribution, dissemination or other use of, or taking of any action in reliance upon, this information by persons or entities other than the Authority is prohibited.

2.0 Background

- 2.1 The Fleet Management Function is responsible for ensuring that all vehicles operated by the Council are repaired and maintained to Department for Transport requirements. All vehicles are serviced in accordance with the Traffic Commissioner for Wales' requirements e.g. HGV vehicles are serviced/inspected every 6 weeks.
- 2.2 The Fleet Management Function is responsible for ensuring that the Council complies with all legislation and undertakings of the Operator's Licence (Goods Vehicles (Operator's Licensing) Act 1995). The Operator's Licence enables the Council to operate Heavy Goods Vehicles in the course of its business e.g. Refuse Vehicles and Winter Maintenance Vehicles (Gritters).

3.0 Scope and Objectives

3.1 The objective of the audit was to evaluate the system of internal controls with a view to delivering reasonable assurance to the Authority over the adequacy of the internal control environment. This is defined as the whole system of controls, established by management, which help to ensure the achievement of objectives, economy and efficiency, compliance with policies and procedures, safeguarding of assets and the integrity and reliability of information.

3.2 The system has been evaluated against the following control objectives:

- Policies and Procedures
- Acquisitions
- Disposals
- Defect Monitoring and Reporting
- Drivers Hours
- Operating Licence
- Drivers Licence
- Maintenance of Vehicles
- Security of Vehicles

4.0 Methodology

4.1 The audit was undertaken using a risk-based auditing methodology. Actual controls were evaluated against the expected controls within each control objective. A risk assessment of the individual controls under each control objective was undertaken and the level of testing decided upon. The system evaluation and the results of compliance testing were then used as the basis on which to draw conclusions and to form an opinion on the overall effectiveness and adequacy of the internal control environment.

5.0 Findings

5.1 The detailed findings of the audit are included as Appendix A.

6.0 Conclusion

System of Internal Control

- 6.1 The system of internal control applied has been graded “D” – **Unsatisfactory**. Weaknesses in the system of controls are such as to put the System's/Authority's or establishment objectives at risk

Testing Opinion

- 6.2 The assessment of compliance with established controls has been graded “D” – **Unsatisfactory**. The level of non-compliance puts the system's objectives/Authority or establishment at risk.

Overall Opinion on Internal Control Environment

- 6.3 The overall conclusion is that the internal control environment is graded “D” – **Unsatisfactory**. Details of the evaluation of each objective are listed in Appendix B

7.0 Recommendations

- 7.1 Details of the recommendations are shown in the action plan attached as Appendix C.

Summary of Recommendations

- 7.2 The review made 22 recommendations that are categorised on the following basis:

Priority	Category	Definition	No. Of Recs
1	Mandatory - Urgent	Action is imperative to ensure that the objectives for the area under review are met.	9
2	Mandatory - Less Urgent	Requires action to avoid exposure to significant risks in achieving the objectives for the area under review.	9
3	Best Practice / Other Recommendations	Action is advised to enhance control or improve operational efficiency.	4

Risk may be viewed as the chance, or probability, of one or more of the Authority's objectives not being met. It refers both to unwanted outcomes that may arise, and to the potential failure to realise desired results.

Fleet Management 2018/19 - Detailed Findings

REF	EXPECTED CONTROL	RISK	ACTUAL CONTROL 2018/19	IS CONTROL ADEQUATE?		Comments	Test Results Findings	Is Control Being Applied		Rec No.	Recommendation	Priority
				Y	N			Y	N			
POLICIES & PROCEDURES												
1	Up to date policies and procedures are in place governing the acquisition, disposal and leasing of vehicles.											
1.1	Staff involved in Fleet Management are aware of and have access to Financial Procedure Rules, and Procurement and Contracting Rules.	No compliance with regulations	Staff involved in the Fleet Management process are fully aware of the Financial Procedure Rules and The Procurement and Contracting Rules. Fleet Management Services work closely with Procurement Services with regards to all aspects of the Fleet Management Service.	Y	N	Staff involved in the Fleet Management process are fully aware of the Financial Procedure Rules and Procurement and Contracting Rules. Fleet Management Services work closely with Procurement Services with all aspects relating to Fleet Management. The control results are assessed as being very good.	A questionnaire was devised and circulated to all staff involved in the Fleet Management process. The aim of the questionnaire was to identify staff awareness of the Authority's policies and procedures i.e. Financial Regulations and the Procurement and Contracting Rules. All three questionnaires circulated were completed and returned to Internal Audit, the results are as follows: Q1. Aware of Financial Regulations - 1 x Yes, 2 x Partially aware Q2. Aware of Procurement and Contracting Rules - 1 x Yes, 2 x Partially aware Q3. Aware of location of Financial Regulations and the Procurement and Contracting Rules - 1 x Yes, 2 x No Q4. Training received - 3 x No training received Q5. Are you ever required to provide advice or guidance to staff - 3 x No. The test results are assessed as being unsatisfactory.		N	1	Staff involved in the Fleet Management process should be fully conversant with the Financial Procedure Rules and the Procurement and Contracting Rules and in particular those areas relevant to Fleet Management Services. In the event of a query, staff should also be aware of the location of the documents.	1
1.2	The authority has a fleet management policy governing acquisition, disposal and leasing of vehicles. The policy is subject to periodical review.	Staff would not be aware of their responsibilities with regard to fleet. The policy may not be reflective of current aims and objectives of the authority.	The Authority does not have a fleet management policy governing acquisitions or the leasing of vehicles. Disposal Procedures are included within the Authority's Financial Procedure Rules - Paragraph 4.07.21 of the Financial Procedure Rules (FPR) which form part of the Constitution state the Disposal Procedures. There is no guidance within the FPR regarding Acquisitions or Leasing of Vehicles. The Building Services Group Manager stated that there are established procedures in place but these are not documented.		N	The Authority does not have a fleet management policy governing acquisitions or the leasing of vehicles. Disposal Procedures are included within the Authority's Financial Procedure Rules, Paragraph 4.07.21, but there is no guidance within the Financial Procedure Rules regarding acquisitions or the leasing of vehicles. The control results are assessed as being poor.	The Authority does not have a Fleet Management policy. There is information in Paragraph 4.07.21 of the Financial Procedure Rules regarding Disposal Procedures but it does not provide information regarding the acquisitions or leasing of vehicles. The test results are assessed as being poor.		N	2	A Fleet Management policy should be written governing acquisitions, disposal and leasing of vehicles. The policy should be reviewed and updated on a periodic basis i.e. annually to ensure it reflects current working practices and subject to version control. The policy should be stored in a suitable location i.e. the Intranet and accessible to all staff involved in the Fleet Management process. The policy should include a declaration that must be signed by officers stating that they have read the policy and agree to comply with the requirements.	1
1.3	Up to date procedure notes exist governing all aspects of fleet management that are subject to review and communicated to all relevant staff.	Unless aware of the correct procedures, staff will be unable to comply with them.	Fleet Management Services do not have any procedure notes that reflect current working practices. The Building Services Group Manager stated that Fleet Management Services have established procedures in place, but they are not documented.		N	Fleet Management Services do not have any procedure notes that reflect current working practices. Internal Audit was informed that established procedures are in place but they are not documented. The control results are assessed as being poor.	Fleet Management Services do not have any procedure notes that reflect current working practices. Internal Audit was informed that established procedure are in place but they are not documented. The test results are assessed as being poor.		N	3	The Fleet Management Services should devise a set of procedure notes that reflect everyday working practices and procedures. The procedure notes should be reviewed and updated on a periodic basis i.e. annually to ensure it reflects current working practices and subject to version control. The procedure notes should be stored in a suitable location i.e. the Intranet and accessible to all staff involved in the Fleet Management process. The procedure notes should include a declaration that must be signed by officers stating that they have read the policy and agree to comply with the requirements.	1

Fleet Management 2018/19 - Detailed Findings

ACQUISITIONS											
2	Vehicles are procured in line with department needs and in accordance with Procurement and Contracting Rules.										
2.1	Vehicles are procured in accordance with Procurement and Contracting Rules.	Non compliance with regulations.	<p>The Building Group Services Manager works closely with Procurement Services in relation to the procurement of vehicles.</p> <p>The Building Services Group Manager stated that initial requests for new vehicles are usually received via email by the Building Services Group Manager and Procurement Services. Both services work together in procuring the most suitable vehicle. The Fleet Engineer will also be involved in the process by means of providing specialist advice on selecting the correct vehicle for the service areas needs. There is no standard system or standard documentation that needs to be followed/in place in relation to the initial request of new vehicles. Discussion with Fleet Management Staff identified that they are rarely involved in the procuring of vehicles process and are only made aware of procured vehicles when they are delivered to the Fleet Management depot. Upon delivery of the vehicles, the Fleet Management staff do not have any documentation i.e. initial request or orders to check the delivered vehicle to i.e. vehicles specification, requesting department. However, once involved Procurement Services procure vehicles in accordance with Procurement and Contracting rules by means of using the established gateway 1 and gateway 2 process developed by the Authority. This ensures procurement processes take into account any relevant legislation. Discussions with Procurement Services identified that there is usually an email to support the procurement of vehicles but the approach is not standard and Procurement Services are not always involved in the process from the beginning.</p>	Y	<p>Vehicles are procured in accordance with Procurement and Contracting Rules. The Building Group Services Manager works closely with Procurement Services in relation to the procurement of vehicles.</p> <p>Initial requests for new vehicles are received via email by the Building Services Group Manager and Procurement Services. Both services work together in procuring the most suitable vehicle and will often ask advice from the Fleet Management Officer.</p> <p>During conversations with the Fleet Management staff, it was stated that they are very rarely involved in the procuring of vehicles process and are only made aware of procured vehicles when they are delivered to the depot. Upon delivery of the vehicles, the Fleet Management staff do not have any documentation i.e. initial request or orders to check the delivered vehicle to i.e. vehicles specification, requesting department</p> <p>The control results are assessed as being satisfactory.</p>	<p>Despite several requests, there was a lack of documentation provided to Internal Audit to support the initial request to procure the sample of vehicles selected for review. Therefore testing was not undertaken to ensure vehicles were procured in accordance with Procurement and Contracting Rules.</p> <p>Also, due to the lack of information provided, it was not possible to compare the rates of vehicles obtained via frameworks to the schedules.</p>	N/A	N/A	4	<p>Management need to liaise with Procurement Services in order to develop and implement a system to ensure a standard approach to the request to procure vehicles is undertaken. Fleet Management officers should be involved in this process to ensure upon delivery of Fleet Vehicles they have documentation to check the delivery to.</p> <p>Once a system has been developed the procedures could be incorporated into the Fleet Management procedure notes (as per recommendation 3). This will ensure all staff involved in the process have signed a declaration to comply with the requirements of the procedure notes.</p>	1
2.2	Vehicles are procured in line with departmental needs.	Vehicles may not be fit for purpose.	<p>Requests for vehicles are received via email by the Building Services Group Manager. If the request relates to a new vehicles then a business case must be completed. The service area will request what type of vehicle they require and the Building Services Group Manager will contact Procurement Services in order to procure the most suitable vehicle.</p> <p>In the event the request for a new vehicle is initially received by Fleet Services, then the request is directed to the Building Services Group Manager to ensure the correct procurement processes are undertaken.</p>	Y	<p>As per discussions with the Building Services Group Manager requests to procure vehicles are made via email with a business case if necessary. The Building Services Group Manager will contact Procurement Services in order to ensure the most suitable vehicle is procured and is done so in line with policies and procedures.</p> <p>Whilst these procedures were identified by the Building Services Group Manager, evidence of this procedures was not identified and this was a lack of documentation/information provided in previous tests that supported the procedures.</p> <p>The control results are assessed as being satisfactory.</p>	<p>Despite several requests, there was a lack of documentation provided to Internal Audit to support the initial request to procure the sample of vehicles selected for review. Therefore testing was not undertaken to ensure vehicles were procured in accordance with Procurement and Contracting Rules.</p>	N/A	N/A		Refer to recommendation 4.	

Fleet Management 2018/19 - Detailed Findings

2.3	Vehicle standardisation is practiced.	Lack of opportunity to reduce maintenance costs.	Vehicles are requested based on the service areas wants and needs. However, where possible Procurement Services will attempt to practice vehicle standardisation.	Y	Discussions were made with the Procurement and Payments Manager and it was stated that where possible vehicle standardisation is practiced. But this will always depend on the wants and needs of the requesting service area. Evidence of this was not provided to Internal Audit and it was not possible to ensure that a sufficient audit trail exists. The control results are assessed as being satisfactory.	A review of the fleet list maintained by Fleet Management Services was undertaken and it was noticed that at the time of the audit, the 'spot hire' vehicles were not included on the list (a separate spreadsheet for spot hires is now being maintained). There was a total of 107 vehicles included on the fleet list and a total of 20 vehicles included on the spot hire list. A review of the fleet list and spot hire list was undertaken and there appeared to be a lack of vehicle standardisation throughout the Authority as included on both lists was 70 different makes and models of vehicles recorded. However, it is possible the description of vehicles i.e. make and model are not fully completed on the fleet list and therefore the search function would not be reliable. The spot hire list does not include makes and models of the vehicles only the type of vehicles was recorded i.e. Gritter, Tipper, 17 seat bus. The data included on the Fleet list was then compared to the Authority's insurance schedule to ensure the details matched, but the number of vehicles included on the schedule was 126. The number of vehicles stated on the two sources of documentation do not match. Therefore, it is unclear how many fleet vehicles there are within the Authority. The test results are assessed as being unsatisfactory.	N	5	Officers should ensure that when requesting vehicles in order to keep costs low, requests should only be made for vehicles that are needed and not include features that are desirable. By doing this will enables Procurement Services to procure more standard vehicles as opposed to vehicles with added features for comfort.	2
6								6	A review of the fleet list should be undertaken to ensure the vehicles included are fully descriptive and the correct number of vehicles are recorded. This information should be reflected on the insurance schedule, in the event the data doesn't match then then necessary action should be taken as a result e.g. records should be updated.	1
2.4	Only authorised staff can procure vehicles.	Unauthorised vehicle procurement not managed in accordance with policy.	All vehicles should be procured via the Building Services Group Manager and in conjunction with Procurement Services upon the request from relevant authorised Managers. The Procurement Manager stated that checks are not made to the Authorised Signatory list as the list does not specifically include Fleet requests and on most occasions vehicle requirement has gone through board and approval to proceed is given by them. The Procurement Manager would query any requests from an unfamiliar Officer of the Authority. Schools are responsible for procuring their own vehicles but will occasionally contact Fleet Management Services for advice. The Leisure Trust Service will also occasionally ask for advice.	N	All vehicles should be procured via the Building Services Group Manager in conjunction with Procurement Services upon the request from relevant authorised Manager. The Procurement Manager and the Building Groups Services Manager both stated that checks are not made to the Authorised Signatory list as the list does not specifically include Fleet requests and on most occasions vehicle requirement has gone through board and approval to proceed is given by them. Any requests from an unfamiliar Officer of the Authority would be queried. The control results are assessed as being unsatisfactory.	From a sample of 11 vehicles selected for review, the initial request to procure the vehicles was not provided for any of the vehicles. • For 4 of the vehicles email correspondence was provided by Fleet Services evidencing the conversation regarding purchasing a suitable vehicle. • For 5 vehicles, Fleet Management were not involved in the process and therefore were unable to provide any paperwork to support the request. • Two of the vehicles were procured directly by Waste Services in conjunction with Procurement Services. Fleet Management were not involved in process. The test results are assessed as being unsatisfactory.	N	7	A list should be devised and maintained of all authorised managers involved in the fleet management process including their permissions. Refer to recommendation 4.	2

Fleet Management 2018/19 - Detailed Findings

3	Adequate records are maintained of vehicles acquired.									
3.1	A central record is maintained of all vehicles purchased or leased.	Vehicles may not be renewed; Vehicles may no longer be required; Legislation may not be complied with on all vehicles.	Y		There is no definitive central record or Fleet Management system in operation. However, there are two spreadsheets maintained by Fleet Management Services one for Long Term/Spot Hires Vehicles and one for all other fleet vehicles. Accountancy Services also have access to the spreadsheets for budgeting purposes. The Fleet list/spreadsheets detail vehicle registration number, fleet ID number, vehicle make and model, asset class i.e. lease, purchased, hire department, value including depreciation. But there is a lack of information included on the Spot Hire List i.e. there is no makes and models of vehicles recorded.					
					There is no definitive central record or Fleet Management system in operation. There are two spreadsheets maintained by Fleet Management Services one for Long Term/Spot Hires vehicles and one for the remaining fleet vehicles. Accountancy Services also has access to the spreadsheet for budgeting purposes. The Fleet list/spreadsheets details vehicle registration number, fleet ID number, vehicle make and model, asset class i.e. lease, purchased, hire department, value including depreciation. But there is a lack of information included on the Spot Hire List i.e. there is no makes and models of vehicles recorded. The control results are assessed as being satisfactory.					

Fleet Management 2018/19 - Detailed Findings

DISPOSALS										
5	Vehicles are disposed of in accordance with Financial Procedure Rules.									
5.1	Vehicles are disposed of in accordance with Financial Procedure Rules.	Non-compliance with regulations.	<p>Section 4.07.21 of the Financial Procedure Rules state the Disposal procures as follow:</p> <p><i>The method of disposal for obsolete vehicles, plant, must be co-ordinated through the Stores and Purchasing Officer.</i></p> <p><i>Methods available are:</i></p> <ul style="list-style-type: none"> • Through a recognised Public Auction for items such as vehicles and plant. co-ordinated through the Stores and Purchasing Officer. • By open tender advertised in the local press, trade journal. <p>There procedures are out of date as Procurement Services are no longer involved in the process of arranging to dispose of vehicles.</p> <p>Following discussions with the Building Group Services Manager, it was identified that all disposals are referred to Merthyr Motor Auctions (MMA) for sale as agreed. When queried as to why vehicles are referred to MMA, Internal Audit was informed that it is a historical process.</p> <p>The decision to dispose of a vehicle lies with the relevant Manager. Fleet Management are occasionally contacted to arrange the disposal with MMA but it is unclear how the requests are received i.e. verbal or written requests. On occasions, Fleet Management are only made aware of a disposal when they receive a cheque for the sale of a vehicle.</p>	N	<p>The Financial Procedure Rules are out of date as there is no Stores and Purchasing Officer and Procurement Services confirmed that they are not involved in the disposal process.</p> <p>All vehicles are sold to Merthyr Motor Auctions (MMA), this is a historical process. There is a lack of audit trail i.e. no written initial request from the manager to Fleet Management to arrange for the disposal.</p> <p>There is no list of MMA standard charges and there is no evidence of agreed prices other than the invoice received from MMA.</p> <p>The control results are assessed as being poor.</p>	<p>A sample of 10 disposed of vehicles was selected for review. All vehicles had been sold to Merthyr Motor Auctions.</p> <p>There was no evidence found of the initial request from the relevant managers to Fleet Management to arrange to dispose of the vehicles.</p> <p>The only paperwork obtained to support the disposal of the vehicles were invoices from MMA and miscellaneous cash income forms.</p> <p>Further to this, included on the MMA invoices were the following charges deducted from the sale price of the vehicles, these charges include:</p> <ul style="list-style-type: none"> • commissions; • entry fees; and • service charges <p>When queried with Fleet Management if a set of standard changes from MMA exists no response was provided.</p> <p>The tests results are assessed as being poor.</p>	N	<p>12 To rectify the lack of a consistent approach to the disposal of vehicles a standard system should be devised for the disposal of vehicles e.g. initial request. The Financial Procedures Rules should be updated to reflect the new system and all staff involved in the fleet management process should be informed of the new process.</p> <p>13 Fleet Management Services are a central service and should be involved in all aspects of Fleet Services including acquisitions, disposals leasing and maintenance.</p> <p>14 Management should liaise with MMA in order to obtain a list of agreed prices when arranging disposals.</p>	<p>1</p> <p>2</p> <p>2</p>	
6	Vehicles are assessed to determine if they remain fit for purpose.									
6.1	Vehicles are assessed and those deemed to be no longer fit for purpose are identified and disposed of.	Vehicles may be used that are no longer fit for purpose.	<p>It is a collaborative exercise between the Fleet Manager and the department as to whether a vehicle is fit for purpose or whether it is disposed of.</p> <p>All vehicles are subject to regular maintenance by an external contractor i.e. light goods vehicles are maintained by RT Williams and Heavy Goods Vehicles (HGVs) are maintained by Dennis Eagle. Depending on the type and use of the vehicle will depend on the frequency of the maintenance i.e. light goods vehicles are only subject to annual maintenance whilst HGVs are maintained every 6 weeks.</p> <p>All vehicles are monitored by managers and Fleet Management on a regular basis to ensure they remain roadworthy.</p> <p>Also, daily checks are undertaken on each vehicle by the driver prior to the commencement of their duties. Any defects identified are recorded on a defect sheet.</p>	Y	<p>All vehicles are assessed on a daily basis by the driver prior to commencement of duties. Also, vehicles undergo regular routine maintenance.</p> <p>In the event a vehicle is no longer fit for purpose this would be identified during these processes.</p> <p>The control results are assessed as being satisfactory.</p>	<p>Further to point 5.1, due to the lack of paperwork/documentation retained in respect of the disposal of vehicles it wasn't always possible to identify the reason for the disposal, details are as follows:</p> <ul style="list-style-type: none"> • It was only possible to identify the reason for 4 out of 10 of the disposals i.e. paperwork/documentation retained did not state reasons. • For the remaining 6 disposals, there was no information recorded on the paperwork/documentation to justify the reason for the disposals. <p>When queried Fleet Management stated the following:</p> <p>The Authority does not own many vehicles, so this process doesn't occur often. The last vehicle disposed of by Fleet Services was Vehicle Reg. VO08JSX which was three years ago. Any Parks equipment attachments for tractor etc. that are disposed of are done so by them and the first Fleet Services are aware of it is when a cheque is received from MMA.</p> <p>The control results are assessed as being poor.</p>	N	Refer to recommendation 12 & 13.		
6.2	Identification marks on disposed vehicles are obliterated before vehicles are disposed of.	The public may assume that vehicles still belong to the authority.	<p>Internal Audit was informed that there was no system or contract in place for ensuring the vehicle logos are removed prior to their disposal.</p> <p>Identification marks are not always removed, as some signs cannot be removed without causing significant paint damage therefore most vehicles are disposed of with the logo intact.</p> <p>There is only a small percentage (approximately 25%) of vehicles that still have the MTCBC logo. All new vehicles are not subject to identification marks.</p>	N	<p>Internal Audit was informed that there was no system or contract in place for ensuring the vehicle logos are removed prior to their disposal.</p> <p>Identification marks are not always removed, as some signs cannot be removed without causing significant paint damage therefore most vehicles are disposed of with the logo intact.</p> <p>The control results are assessed as being poor.</p>	N/A	N/A	N/A	<p>15 Whilst the procedure for arranging the removal of logos to vehicles is non-existent, there still remain approximately 25% of fleet that have a form of identification mark on them. Officers must satisfy themselves that sufficient arrangements are made for the removal of logos prior to disposal. Evidence of this should be retained on the vehicle files.</p>	2

Fleet Management 2018/19 - Detailed Findings

DEFECT MONITORING & REPORTING										
7	All drivers have been issued with and signed for a drivers handbook.									
7.1	All drivers have signed for a copy of the drivers' handbook and have signed to say that they understand them.	Drivers may not have been issued with a handbook.	<p>During 2018, the Drivers' Handbook was updated and circulated to all relevant staff. The handbook provides advice and guidance to all drivers in respect of reporting defects drivers hours and records, accidents, service requirements, trackers and driver key fobs, seatbelt use, operation of cranes, lifts and other hydraulic equipment, driving offences, fuel issues, smoking policy. Upon receipt of the handbook all drivers must sign a form to say they have received a copy of the handbook. Copies of the signed forms are retained by Fleet Management Services.</p> <p>There is no declaration made confirming their adherence to the requirements within the handbook.</p> <p>Further to this, a 'Driving on Council Business' Policy was updated and approved by Full Council on 7th February 2018.</p> <p>The Council has identified the risks associated with staff who drive at work and have put in a place controls to minimise the identified risks. Implementation of the Driving on Council Business Policy will ensure risks associated with driving on Council business are properly managed.</p> <p>Included within the policy is a declaration that must be signed by staff to confirm that they are aware of and agree to the requirements of the policy.</p> <p>Training on the new policy is currently being rolled out across the Authority.</p>	Y	<p>Drivers have signed for a copy of the new handbook recently circulated. The Drivers have not signed a declaration stating they will adhere to the requirements within the handbook.</p> <p>A Driving for Council Business Policy has recently been updated and approved by Full Council. Included within the Policy is a declaration that must be completed by each member of staff, confirming that they are aware of and agree to the requirements within the Policy</p> <p>Training on the new Policy is currently being rolled out across the Authority.</p> <p>The control results are assessed as being satisfactory.</p>	<p>A file is maintained by Fleet Management Services containing the forms signed by the Drivers to say they've received a copy of the handbook. However, the form does not include a declaration stating that they will adhere to the requirements of the handbook.</p> <p>The Driving on Council Policy is in the process of being rolled out throughout the Authority. Included within the Policy are many declarations that must be completed by each member of staff, confirming that they are aware of and agree to the requirements within the Policy</p> <p>The test results are assessed as being satisfactory.</p>	Y			
7.2	All drivers are aware of the procedure for identifying and rectifying defects.	Vehicles would not be checked for defects that could lead to loss of life, financial compensation or criminal proceedings against the authority.	<p>The Drivers Handbook provides clear instructions regarding Drivers daily checks and maintenance. However the drivers have not signed a declaration stating they will comply with the requirements of the handbook. Further to this, the Driving on Council Business policy also provides clear guidance for employees on their responsibilities for identifying and reporting defects. The policy states the following:</p> <p>Section 8- Employees responsibility of the Driving on Council Policy states employees must:</p> <ul style="list-style-type: none"> • Ensure that both you and any vehicles driven are compliant with legal requirements before driving on the public highway. • Carry out a 'walk around safety check' of the vehicle prior to use, this includes at the start of the day/shift and a change of driver during the day/shift. Instruction/training in regard to this can be provided by your supervisor or Fleet Management. • Following the 'walk around safety check', complete the appropriate vehicle defect reporting form. If there is a defect on the vehicle, inform the supervisor and Fleet Management so that appropriate action can be taken. Instruction/training in regard to vehicle checks and defect reporting can be provided by your supervisor or Fleet Management. <p>Internal audit was informed that vehicles scheduled for duties that day are examined by the driver prior to the commencement of their daily duties.</p>	Y	<p>There are clear procedures provided in the Drivers handbook and also the recently approved Driving on Council policy regarding identifying and rectifying vehicle defects.</p> <p>All employees involved within the Fleet Management process will have received a copy of the Drivers handbook and training is currently being rolled out to staff on the Driving on Council Business policy.</p> <p>The control results are assessed as being good.</p>	N/A	N/A	N/A		

Fleet Management 2018/19 - Detailed Findings

7.3	All vehicles have a defect book.	Non-compliance with legislation.	Defect books form part of controlled stationary and are issued to all drivers of commercial vehicles. It is the responsibility of the driver to ensure examinations of the vehicles are undertaken prior to its daily duties. The results of the examinations should then be recorded in the defect book. In the event, there is a change in the driver of the vehicle during the day, then a new defect sheet has to be completed prior to commencement of duties. The defect books are in triplicate form, once the results of the defects are completed, if no defect are identified then the driver continues with his daily duties and records a nil return in the defect book. In the event a defect is identified, then the defect book is taken to the driver's Supervisor for authorisation and then to Fleet Management to arrange the repair. The white/top copy is retained by Fleet Management, the blue/middle copy is taken to the maintenance company as authorisation to undertake the necessary repair. The yellow/bottom copy is retained in the defect book by the driver.	Y	All vehicles have a defect book, which must be completed prior to the commencement of daily duties. There is guidance and procedures on the requirements of completing defect books stated in the Drivers handbook and the recently approved driving on Council Business policy. The control results are assessed as being very good.	N/A	N/A	N/A		
8	Vehicles are examined to identify defects and records maintained of the defects noted.									
8.1	All vehicles are examined daily to identify defects.	Vehicles may not be roadworthy.	All vehicles are examined on a daily basis prior to the commencement of their daily duties. The results of the examinations are recorded on in a defect book including any nil returns identified. If a defect is identified then the defect sheet is presented to the Supervisor for authorisation and provided to Fleet Management in order to arrange the necessary repairs. In the event a vehicle is not required then an examination is not undertaken and a defect sheet is not completed.	Y	All vehicles are examined on a daily basis by the driver prior to commencement of daily duties. Defect sheets are completed by the driver and provided to the relevant Supervisor for authorisation if a defect is identified. Defect sheets are only completed when the vehicle is in use. The control results are assessed as being very good.	During a visit to the three Operating Centres, a sample of 15 vehicles defect books were inspected to ensure that daily checks are being undertaken to the vehicles, details are as follows: • For 7 of the vehicles, defect books had been completed on a daily basis and were signed appropriately i.e. driver and the supervisor. • For 4 of the vehicles, defect books were not completed on a daily basis, due to the vehicle not being used on a daily basis. • For 2 of the vehicles, defect books only contained the signature of the driver, when queried, it was stated by the drivers that the Supervisor only signs the defect book if a defect is identified. • For 1 of the vehicles, the defect book was incomplete i.e. missing days. when queried, the driver stated that the defect book had not been completed as the vehicle was scheduled for repair. The test results are assessed by unsatisfactory.	N	16	Staff should be reminded of the importance of complying with the requirements of the Drivers Handbook and consideration should be given to Fleet Management Services producing a declaration form for drivers to sign that they agree to adhere to the requirements of the drivers handbook.	2
8.2	A record is maintained of all defects noted and of checks where nil defects were noted.	Non-compliance with legislation. The authority would be unable to defend against claims.	The results of all vehicles checks are recorded on defect sheets. The defect sheets are controlled stationary and are in triplicate form. The top copy is presented to the Supervisor for authorisation, the middle copy acts as a works order for the contractor to undertake a repair if necessary (stays in the book if no repairs are necessary), bottom copy stays permanently in the book but must also be signed by the contractor if any defects have been repaired. All defects including nil returns are recorded prior to the commencement of its daily duties.	Y	The results of all vehicles checks are recorded on defect sheets. The defect sheets are controlled stationary and are in triplicate form. The top copy is presented to the Supervisor for authorisation, the middle copy acts as a works order for the contractor to undertake a repair if necessary (stays in the book if no repairs are necessary), bottom copy stays permanently in the book but must also be signed by the contractor if any defects have been repaired. Defect sheets are completed daily as required regardless of whether a defect has been identified. The control results are assessed as being very good.	Using the sample of 15 defect books in point 8.1, Internal Audit observed that the defect books recorded the defects and also nil defects. The test results are assessed as being very good.	Y			
8.3	Vehicles are not driven until identified defects are repaired.	Vehicles may be driven that are not roadworthy.	Following an examination of the vehicle, if a defect is identified it is immediately reported to the relevant Supervisor for advice. Depending on the type of defect identified will depend on whether the vehicle is roadworthy to travel to the relevant contractor for repair. In the event the vehicle is not roadworthy then the contractors will be contacted as necessary.	Y	All defects are dealt with immediately. Depending on the type of defect will depend on whether the vehicle is roadworthy to travel to the contractors for repair. The control results are assessed as being very good.	N/A	N/A	N/A		

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8.4	An independent check is undertaken to ensure all vehicles are subject to daily defect checks.	Checks may not be undertaken.	After each inspection, the defect sheets are provided to the relevant supervisor for review and authorisation. The defect sheets are retained by the supervisor monitored. At the end of each working week the defect sheets are sent to Fleet Management Services for checking. On a periodic basis, Fleet Management Services will undertake physical spot checks on vehicles.	Y	At the end of each working week completed defect sheets are sent to Fleet Management Services for review. On a periodic basis, Fleet Management Services will undertake physical spot checks to vehicles. The control results are assessed as being good.	N/A	N/A	N/A		
9	Records are held for at least twelve months after the vehicle has been disposed of or returned.									
9.1	Defect books are retained for at least twelve months after the vehicles has been disposed of or returned.	The authority would be unable to defend against claims.	Defect books are retained by Fleet Management Services for a period of 15 months.	Y	Defect books are retained by Fleet Management Services for a period of 15 months. The control results are assessed as being very good.	Observations were undertaken by Internal Audit during a visit to Fleet Management Services and it was identified that defect books were being held for a period of 15 months or more. The test results are assessed as being very good.	Y			
DRIVER HOURS										
10	Drivers have been made aware of the legislative requirements regarding driving hours.									
10.1	Drivers have been instructed of the need to record hours driven.	Non-compliance with legislation.	<p>The Drivers Handbook provides clear instructions regarding drivers hours and records. However the drivers have not signed a declaration stating they will comply with the requirements of the handbook. Further to this, the Driving on Council Business policy provides clear guidance for employees on their responsibilities with regards to drivers hours and records. The policy provide the following guidance:</p> <ul style="list-style-type: none"> • Avoid driving continuously for more than 2 hours, after which a 15 minute break should be taken, except where covered by the EC Driver Hours Rules and UK Domestic Driver Hours Rules. Any driver who has 3 drivers' hour infringements within any 12 month period may be subject to disciplinary action. • Fill out a log book/tachograph correctly for the journey. Instruction/training in regard to this can be provided by Fleet Management. • If you have a digital tachograph card this must be downloaded every 7 days. If a card has not been downloaded for 28 days the driver must be suspended from any driving duties until the card has been downloaded. Failure to do so puts the authority at risk. <p>The policy also states the following:</p> <ul style="list-style-type: none"> • Rest Breaks and Driving Hours • All employees who are covered by the EC Driver Hours Rules and UK Domestic Driver • Hours Rules must adhere to them at all times. <p>For other employees, the following guidelines are considered to be good practice:</p> <ul style="list-style-type: none"> • A maximum of 8 hours driving in any working day. • A maximum of 2 hours continuous driving without a break or 100 miles, whichever comes first, after which at least a 15 minute break should be taken. • A maximum of a 12 hour working day, including breaks, when it involves up to 8 hours of driving. <p>Training is currently being rolled to staff on the Driving on Council Business Policy.</p>	Y	<p>There has been clear instructions issued to staff on the need to comply with law regarding recording driving hours. All drivers are issued with a Drivers Handbook that provides clear instructions on the need to record hours driven. Also training is being rolled out to all staff on the recently approved Driving on Council Business policy. Included within the policy are extensive details regarding the need for recording hours driven.</p> <p>The control results are assessed as being very good.</p>	<p>The Drivers Handbook provides clear instructions regarding drivers hours and records. The Driving on Council Business policy also provides clear guidance for employees on their responsibilities with regards to drivers hours and records</p> <p>However the drivers have not signed a declaration stating they will comply with the requirements of the handbook or the policy.</p> <p>The test results are assessed as being unsatisfactory.</p>	N		Refer to recommendation 16.	

Fleet Management 2018/19 - Detailed Findings

11	A record is maintained by drivers of the hours that they have driven and checks are undertaken to ensure that legislation has been complied with.									
11.1	Drivers keep a record of their daily hours.	Non-compliance with legislation.	<p>All HGV drivers must obtain a Tachograph card from the DVLA, there is a cost to this service which is picked up by the relevant department. Each Tachograph is unique to the driver and records information regarding driving times, speeds and distances.</p> <p>At the start of each working day, the tachograph card is placed into a card reader and then removed at the end of the working day. The tachograph card will record details of the daily activities. On a monthly basis Fleet Management Services extract information from the system.</p> <p>On monthly basis or at least every 28 days information is downloaded via a card reader and information is scrutinised by the FTA (Freight Transport Assoc.) any infringements are provided to management for investigation.</p> <p>If during the review any infringements are highlighted then Fleet Management will request the driver visits the Fleet Management office to state the reason for the infringement i.e. possible mislockings/under minimum break time.</p> <p>The driver is required to sign an infringement sheets when an infringement has been identified to declare it won't occur again.</p> <p>Drivers of light goods vehicles record their daily hours on a log sheet. The log sheets are not monitored by Fleet Management but are provided to managers for record purposes.</p>	Y	<p>All HGV Drivers use a Tachograph Card to record their daily hours. On at least a 28 day basis, the information is monitored and reviewed by Fleet Management. In the event of an infringement then Fleet Management will request the driver visits the Fleet Management office to state the reason for the infringement e.g. possible mislockings/under minimum break time.</p> <p>The driver is required to sign an infringement sheets when an infringement has been identified to declare it won't occur again.</p> <p>Drivers of light goods vehicles record their daily hours on a log sheet.</p> <p>The log sheets are not monitored by Fleet Management but are provided to managers for record purposes.</p> <p>The control results are assessed as being satisfactory.</p>	Due to the issues identified during the overall audit review, and the time taken to report on the issues it was decided that as no central process is being undertaken to monitor and take action on breaches of drivers hours that it would not be feasible to undertake any outstanding tests.	N/A	N/A		
12	Action is taken when legislation has not been complied with.									
12.1	Action is taken in the event of breaches of drivers hours regulations.	Non-compliance with legislation.	<p>On a monthly basis, reports are downloaded from Freight Transport Association (FTA) system and examined by Fleet Management Officers.</p> <p>If during the review any infringements are highlighted then they are sent to the relevant managers for review. Previously, reports were sent to HR Services but no response or outcomes were recorded so this is no longer being done.</p> <p>Depending on the infringement, Fleet Management will request the driver visits the Fleet Management Office to state the reason for the infringement e.g. possible mislockings/under minimum break time.</p> <p>The driver is required to sign an infringement sheet when an infringement has been identified to declare it won't occur again.</p>	N	<p>Infringements are recorded and monitored by Fleet Management Services. Drivers are contacted by Fleet Management Services to justify the reason for the infringement. The reasons are recorded on an infringement sheet and the driver signs the infringement sheet to confirm the infringement wont reoccur.</p> <p>HR Services are no longer in the involved in the process. The onus is on the relevant manager is investigate and take action if necessary. Fleet Management are unaware if individual managers are taken action as they are not provided with this information.</p> <p>There is no central process in place or evidence that adequate action has been taken to recurring offenders.</p> <p>The control results are assessed as being unsatisfactory.</p>	Due to the issues identified during the overall audit review, and the time taken to report on the issues it was decided that as no central process is being undertaken t monitor and take action on breaches of drivers hours that it would not be feasible to undertake any outstanding tests.	N/A	N/A	17	3

Fleet Management 2018/19 - Detailed Findings

OPERATING LICENCE										
13 The authority holds a valid operators licence covering all vehicles subject to licence.										
13.1	The Authority holds a valid operators licence covering all vehicles subject to licence.	Non-compliance with legislation.	The Authority has held a Goods Vehicle Operators Licence since 1992. The Licence states each of the operating Centres and the number of vehicles/trailers located at each centre. The Authority has to apply for an Operators Licence on a 5 yearly basis. Each of the Operators Centres is checked for correctness by the Traffic Commissioner.	Y	The Authority holds a valid Goods Vehicle Operators Licence. The Licence states the number of vehicles held at each operating Centre. Only HGVs are recorded on the licence. The control results are assessed as being very good.	A copy of the valid Heavy Goods Vehicle Operators Licence was obtained and reviewed. All HGVs were listed at the relevant operating centres. The test results are assessed as being very good.	Y			
13.2	All centres from where vehicles operate are licenced.	Non-compliance with legislation.	The Goods Vehicle Operators Licence includes all centres from where vehicles operate. Only HGVs are included on the Operators Licence.	Y	The Authority holds a valid Goods Vehicle Operators Licence. The licence states the number of vehicles held at each operating Centre. Only HGVs are recorded on the licence. The control results are assessed as being very good.	It was not possible to undertake this test, as the Operators Licence does not include a list of the vehicles stored at each centre, it only includes the number of vehicles stored at each centre.	Y			
14 The licensing authority are notified of any changes to the fleet and of any convictions.										
14.1	Changes to the fleet are notified to the licensing authority.	Non-compliance with legislation.	Updates to the fleet list are actioned via the internet by Fleet Management Services.	Y	Updates to the fleet list are actioned via the internet by Fleet Management Services. The test results are assessed as being good.	All updates to the Fleet List are actioned via the internet by Fleet Management Services. The tests results are assessed as being good.	Y			
14.2	The licensing authority are notified of any convictions.	Non-compliance with legislation.	A system was implemented in 2017, whereby the Fleet Management Officer checks the licences of all drivers and retains copies on file. Dependent on the number of convictions will determine how often the licence is checked for convictions with the DVLA, but all licences are checked at least on an annual basis. A Drivers Driving Licences Declarations has also been devised and circulated to drivers stating that drivers must immediately inform Fleet Management Services and the DVLA of any changes in their health, or if they have received any convictions, endorsements and disqualifications. Further to this, the Drivers handbook states that the drivers must give permission for the licence to be checked with DVLA by the Authority. However, this statement is not actually included on the declaration. Fleet Management Services stated that they are made aware of speeding offences by the Safety Camera Unit and provide them with details of the drivers as necessary.	N	As per the requirements of the Drivers handbook, it is the responsibility of the driver to notify the DVLA and Fleet Management Services of any convictions. At least on an annual basis, Fleet management Services will check the drivers licences on the DVLA website and check if there are any convictions present that Fleet Management haven't been notified of. The drivers have signed a declaration stating that they must inform Fleet Management Services and the DVLA of any changes to their health, or if they have received any convictions, endorsements or disqualifications. They have not signed a declaration that states that they give Fleet Management permission to check their licences with DVLA. The control results are assessed as being unsatisfactory.	It was not possible to select a sample of drivers convictions, as the only ones received at Fleet Management are speeding fines and this information is passed onto the Safety Camera Unit who deal with the matter. There is no central record maintained of speeding convictions received and passed to the Safety Camera Unit. The Fleet Management officer stated that when a speeding conviction is received, checks are made to the driver's licence on the DVLA website to identify if the driver has any other convictions and to ensure the latest conviction does not lead to a ban on the licence. The test results is assessed as being satisfactory.	Y	18	With immediate effect a form needs to be devised that grants permission for Fleet Management staff to access the driver's driving licence information on the DVLA website. Under GDPR protocol, In the absence of a consent form, Fleet Management should cease checking drivers details to the DVLA website. Advice should be sought from the Data Protection Officer with regards to this process as without a consent form, Fleet Management would not be able to check for legit and valid licences.	1
								19	Consideration should be given to Fleet Management devising a spreadsheet listing all convictions received. This will enable Fleet Management staff to monitor record and monitor convictions more efficiently. Further advice on maintaining a list should be sought from the Data Protection Officer to ensure compliance with GDPR legislation.	3
15 Operating licences are properly displayed on all vehicles.										
15.1	Operators licence discs are displayed on the vehicle.	Non-compliance with legislation.	All HGVs have to display an Operators Licence in the windscreen of their vehicles.	Y	The Operators Licence discs are displayed in the windscreen of the HGV vehicles. The control results are assessed as being very good.	Visits were made to three operating centres - Cyfarthfa Park Depot, Highways Dept. (Abercynon), Unit 4 Depot. Observations were made to 10 HGVs, and all vehicles clearly displayed a valid operators licence. The test results are assessed as being very good.	Y			

Fleet Management 2018/19 - Detailed Findings

DRIVERS LICENCE										
16	All drivers have a valid driving licence.									
16.1	All drivers hold a valid driver's licence.	Non-compliance with legislation.	The drivers handbook states that all drivers must have a valid licence for the type of vehicle that they are driving. It also states that all drivers must produce their licence to their line manager/Fleet Management for examination and also give permission for their licence to be checked on the DVLA website. Licences are checked and monitored by Fleet Management depending on the number of penalties incurred, but are checked at least on an annual basis.	Y	The Drivers handbook states that all drivers must have a valid licence for the type of vehicle that they are driving. It also states that all drivers must produce their licence to their line manager/Fleet Management for examination and also give permission for their licence to be checked on the DVLA website. Licences are checked and monitored by Fleet Management depending on the number of penalties incurred, but are checked at least on an annual basis. The control results are assessed as being very good.	During Internal Audits visit to the Operating Centres a sample of HGV drivers licences were examined. All drivers held a valid driving licences and a valid CPC licence that allows them to drive an HGV. The test results are assessed as being very good.	Y			
17	All vehicles are insured, taxed and MOT'd.									
17.1	The authority has appropriate insurance cover.	Financial penalties.	The Authority has a valid Motor Insurance Schedule. The schedule details the number of vehicles and the type of vehicles insured i.e. commercial vehicles up to 3.5t, commercial vehicles up to 7.5t, refuse vehicles, cars and minibuses. However, it was not possible to confirm the accuracy of the vehicles included on the Insurance schedule, as the number of vehicles included on the fleet list did not correspond with the number of vehicles included on the Insurance schedule (refer to point 2.3).	Y	The Authority has adequate insurance cover valid until March 2019. However, it was not possible to confirm the accuracy of the vehicles included on the Insurance schedule, as the number of vehicles included on the fleet list did not correspond with the number of vehicles included on the Insurance schedule (refer to point 2.3). The control results are assessed as being satisfactory.	A copy of the Motor Insurance Schedule and Certificate of Motor Insurance was obtained and reviewed. The schedule is valid until March 2019. It was not possible to confirm the accuracy of the vehicles included on the Insurance schedule, as the number of vehicles included on the fleet list did not correspond with the number of vehicles included on the Insurance schedule (refer to point 2.3). The test results are assessed as being satisfactory.	Y			
17.2	All vehicles are taxed and MOT'd.	Non-compliance with legislation.	The Fleet Engineer maintains two maintenance schedules i.e. light goods vehicles and heavy goods vehicles. The schedules are located on a wall within the Fleet Management office. All fleet vehicles are listed on the schedules along with details of any planned maintenance over the year i.e. MOT, Service etc. also included are the dates on which the vehicles tax is due for renewal.	Y	A schedule is maintained of all fleet vehicles. Included on the schedules are the dates for MOT testing and Tax renewals. The control results are assessed as being very good.	BY using the www.gov.uk website, checks can be made to vehicles to ensure they have valid Tax and MOT. Using the sample of 10 vehicles in point 3.1, checks were made on the www.gov.uk website to ensure the vehicles had valid tax and MOT, the following was found: • All 10 vehicles had valid tax. • It was only possible to check 4 out of the 10 vehicles had a valid MOT, for the remaining 6 vehicles the following was found; • 1 vehicle was less than 3 years old and not subject to an MOT. • The remaining 5 are all HGV vehicles and the DVLA do not keep information on HGVs. The test results are assessed as being very good.	Y			

Fleet Management 2018/19 - Detailed Findings

MAINTENANCE OF VEHICLES													
18	There is a planned maintenance programme which all vehicles are subject to.												
18.1	There is a planned maintenance schedule in operation.	Vehicles would not be properly maintained. Non-compliance with legislation.	<p>The Fleet Management Assistant keeps two maintenance schedules i.e. light goods vehicles and heavy goods vehicles.</p> <p>The schedules are located on a wall within the Fleet Management office. All fleet vehicles are listed on the schedules along with details of any planned maintenance over the year i.e. MOT, Service etc.</p> <p>The HGV schedule is broken down into six weekly intervals for the vehicles to have their mandatory inspections, the intervals between these inspections are determined by the conditions of the operator's licence. The intervals between inspections for the light goods vehicle are much longer at 6 monthly.</p> <p>A monthly rota to all departments using the information contained in the year planner, the rota lists both the vehicles and dates they are required on, also what work is scheduled to be carried out on them. A fresh rota goes out roughly 10 days before the previous one comes to an end to allow the departments time to make necessary arrangements.</p> <p>The Fleet Engineer monitors the rota daily and updates the wall planner and monthly data sheet that is used at the same time, this allows monitoring of vehicle downtime and contractors performance.</p> <p>Daily visits are also made to contractors to resolve any issues that may have arisen.</p> <p>The Parks Department make their own arrangements for the maintenance of their vehicles and plant. A schedule of events is not maintained as their vehicles are only subject to a winter service.</p> <p>On a daily basis, the Fleet Management Assistant will review the vehicles included on the schedules and notify Managers a month in advance if anyone of their vehicles are scheduled for maintenance. Arranging maintenance in advance enables Managers to make necessary arrangements to ensure there is a lack of disruption to service areas.</p>	Y	<p>The Fleet Management Assistant maintains two maintenance schedules i.e. light goods vehicles and heavy goods vehicles. The schedules list all fleet vehicles along with details of any planned maintenance for the year i.e. MOT, Services, mandatory inspections etc.</p> <p>The Parks Department make their own arrangements for the maintenance of their vehicles and plant. A schedule of events is not maintained as their vehicles are only subject to a winter service.</p> <p>The control results are assessed as being satisfactory.</p>	<p>Using the sample of vehicles in 3.1 check were made to the vehicles to ensure they were included on the maintenance schedules and regular maintenance was schedules depending on the type of vehicle i.e. light goods vehicles or HGV.</p> <p>The 10 vehicles were split into the following categories:</p> <ul style="list-style-type: none"> • 6 Light Goods Vehicles • 4 Heavy Goods Vehicles <p>Only 4 of the light goods vehicles were included on the schedule, the remaining two are as follows:</p> <ul style="list-style-type: none"> • 1 is a hired vehicle. • 1 is a tractors and maintenance is arranged by Parks Depot. <p>All 4 of the HGVS were included on the schedules and but only three of them had maintenance schedules for every 42 days, the missing one was a hired vehicle and inspections are arranged by the hire company.</p> <p>The test results are assessed as being satisfactory.</p>	Y	20	With regards to the hired vehicles, where possible a schedule of their maintenance should be recorded and kept by the Fleet Engineer.	3	21	A schedule of plant and vehicle maintenance. should be maintained. This will allow managers to schedule their work accordingly with minimal disruption.	2
19	Records are maintained of all planned maintenance undertaken.												
19.1	Maintenance records cover the following: • Who maintained the vehicle; • The results of such maintenance; • Details of any remedial work; and • Who did the remedial work.	Insufficient details in the event of a query/challenge.	<p>Maintenance records are provided by RT Williams and Dennis Eagle following routine and non-routine maintenance undertaken to vehicles.</p> <p>At the time of the audit it was not possible to confirm the detail included on the maintenance records as despite requests no evidence of the maintenance records were provided to Internal Audit.</p>	N/A	N/A	Due to a lack of information provided it was not possible to confirm the details included on the maintenance records provided by RT Williams and Dennis Eagle.	Due to the issues identified during this audit review, it was decided it would not be feasible to undertake any outstanding tests.	N/A	N/A				
19.2	Maintenance records are retained for at least 15 months.	Insufficient details in the event of a query/challenge.	Internal Audit was informed that maintenance documents are kept for at least fifteen months. However, usually records are kept for as long as the vehicle is held.	Y	<p>Internal Audit was informed that maintenance records are kept for a minimum of 15 months, but in most cases they are kept for as long as the vehicle is kept.</p> <p>The control results are assessed as being good.</p>	Due to the issues identified during the overall audit review, and the time taken to report on the issues it was decided would not be feasible to undertake any outstanding tests.	N/A	N/A					

Fleet Management 2018/19 - Detailed Findings

20 SECURITY OF VEHICLES										
20.1	All vehicles are held securely. Staff have been given instructions regarding vehicle security.	Loss/damage to vehicles.	<p>Section 9 - Garaging and Storage of Council Vehicles within the Driving on Council Business Policy provides guidance on vehicle security:</p> <p>9.1 All Council vehicles must be garaged or parked overnight in Council premises or depots, except where authorisation has been given to do otherwise by the Fleet Manager or Head of Department</p> <p>9.2 Consideration for authorisation should only be given where one or more of the following criteria are met:</p> <ul style="list-style-type: none"> • The employee is on call/stand by • The employee has to carry tools and/or equipment for use in their work • The employee has to carry chemicals for use in their work • It is more economically/operationally efficient for the service for the vehicle to be taken home e.g. the employee is not reporting to their usual base but attending an alternative site direct from or to their home. <p>9.3 Vehicles parked overnight must be legally parked where they will not inconvenience the public or other road users. Parking</p> <p>There is also guidance included in the Drivers handbook on the use of the driver ID key fob, vehicle immobilizer, trackers and the garaging and storing of vehicles.</p> <p>At the time of the audit, training on the Driving on Council Business policy was being rolled out to staff.</p>	Y	<p>A new Driving on Council Business policy has been approved by Council and training is currently being rolled out to staff involved in the Fleet Management process. There are clear instructions within the policy regarding all aspects of vehicle security i.e. the use of driver ID key fob, vehicle immobilizer, trackers and the garaging and storage of vehicles.</p> <p>There is also information within the Drivers handbook on vehicle security.</p> <p>The control results are assessed as being good.</p>	<p>At the time of the audit it was not possible to undertake this test, as training on the new policy was in the process of being rolled out to all staff involved in the Fleet Management process i.e. Drivers, Managers etc.</p>	N/A	N/A		
20.2	Spare keys are held securely for all vehicles.	Unavailability of vehicles.	<p>The keys to vehicles are retained by the relevant Department/service areas. Some vehicles (MTCBC Own vehicles) have two sets of keys, one set of keys is always retained by the Manager and the second set is kept on the vehicle file maintained by Fleet management Services. The remaining vehicles are leased vehicles and only one set of keys is issued with the vehicle.</p> <p>The vehicle files are retained in a locked cabinet behind the Fleet Management Assistants desk. The fleet Management office is locked when not manned and access to the Fleet Management office is via a keypad controlled door.</p> <p>There is no list maintained of the vehicles that have a set of spare keys or there is no record maintained of as and when spare keys are used/borrowed.</p>	N	<p>Where spare keys are provided they are held securely within the vehicle files which are retained in a lockable cupboard within the Fleet Management office. When the office is not manned it is locked. access to the fleet Management office is via a keypad controlled door.</p> <p>There is no list maintained of the spare keys maintained or a record kept of their usage.</p> <p>The control results are assessed as being unsatisfactory.</p>	<p>Internal Audit reviewed the storage of the spare keys and whilst they are being stored securely there is a lack of control over them. i.e. there is no definite list of spare keys and there is no record kept of when these keys are being used which could result in keys going missing unnoticed.</p> <p>The test results are assessed as being unsatisfactory.</p>	N	22	<p>As a matter of priority, a definitive list of spare keys should be completed and maintained by Fleet Management Services. Once this list has been completed, then a log should be devised to record the usage of the spare keys. The spare keys should be signed for by the Driver requesting the use of the spare keys.</p>	1

Fleet Management 2018/19 - Control Evaluation

Audit conclusions are graded using the following grading structure:

LEVEL OF CONTROL	GRADE	EVALUATION OF SYSTEM OF INTERNAL CONTROL OPINION	GRADE	TESTING OPINION
VERY GOOD	A	There is a sound system of internal control designed to achieve the Authority's strategic aims.	A	The controls are being consistently applied with no errors identified.
GOOD	B	There is a sound system of internal control designed to achieve the system/Authority or establishment objective(s).	B	The controls are being consistently applied with a small number of minor errors identified.
SATISFACTORY	C	While there is basically a sound system of control, there are weaknesses, which put some of the System's/Authority's or establishment objectives at risk.	C	There is evidence that the level of non-compliance with some of the controls may put some of the system's objectives at risk/may leave the Authority or establishment open to risk.
UNSATISFACTORY	D	Weaknesses in the system of controls are such as to put the System's/Authority's or establishment objectives at risk.	D	The level of non-compliance puts the system's objectives/Authority or establishment at risk.
POOR	E	Control is generally weak leaving the System/Authority or establishment open to significant risks.	E	Significant non-compliance with basic controls leaves the System/Authority or establishment open to error or abuse.

Risk may be viewed as chance, or probability, of one or more of the Authority's objectives not being met. It refers to both unwanted outcomes that may arise, and to the potential failure to realise desired results.

OVERALL OPINION ON THE INTERNAL CONTROL ENVIRONMENT

On completion of the audit the auditor will need to provide an evaluation opinion and a testing opinion, both these opinions will then be used to formulate an overall opinion of the system/establishment/area etc. audited. The overall opinion will be formulated and arrived at by using the lower of either the evaluation opinion or testing opinion.

Conclusion for Fleet Management 2018/19: Overall Evaluation

The system of internal control applied has been graded **Unsatisfactory**. Weaknesses in the system of controls are such as to put the System's/Authority's or establishment objectives at risk.

The assessment of compliance with established controls has been graded **Unsatisfactory**. The level of non-compliance puts the system's objectives/Authority or establishment at risk.

Therefore the overall conclusion is that the internal control environment is graded UNSATISFACTORY.

Fleet Management 2018/19 - Control Evaluation

	AREA OF AUDIT	CONTROL GRADE	TEST GRADE	OVERALL GRADE	REASONS
1	Up to date policies and procedures are in place governing the acquisition, disposal and leasing of vehicles.	E	E	E	The Financial Procedure Rules are in need of updating. There is no Fleet management policy governing acquisitions, disposals and leasing of vehicles. There are no procedure notes written to reflect everyday working practices and procedures.
2	Vehicles are procured in line with department needs and in accordance with Procurement and Contracting Rules.	C	D	D	Fleet Management Services work closely with the Procurement Services in relation to the procuring of vehicles. There is a lack of standard form in place when procuring vehicles and as a result testing was not carried out in this area. An authorised signatory list is not maintained of all authorised managers involved in the fleet management process.
3	Adequate records are maintained of vehicles acquired.	C	D	D	A central fleet list is being maintained but the information included is not fully complete i.e. make and models of vehicles are not fully included. Further to this the Fleet List was compared to the insurance schedule and the details did not match.
4	Vehicles are verified upon delivery, but there is no standard form/documentation being used.	C	E	E	There is no standard documentation used when vehicles are verified upon delivery.

Fleet Management 2018/19 - Control Evaluation

	AREA OF AUDIT	CONTROL GRADE	TEST GRADE	OVERALL GRADE	REASONS
5	Vehicles are disposed of in accordance with Financial Procedure Rules.	E	E	E	<p>The Financial Procedure Rules are out of date as there is no Stores and Purchasing Officer and Procurement Services confirmed that they are not involved in the disposal process.</p> <p>All vehicles are sold to Merthyr Motor Auctions (MMA), this is a historical process. There is a lack of audit trail i.e. no written initial request from the manager to Fleet Management to arrange for the disposal.</p> <p>There is no list of MMA standard charges and there is no evidence of agreed prices other than the invoice received from MMA.</p>
6	Vehicles are assessed to determine if they remain fit for purpose.	D	E	E	<p>Daily checks are undertaken on each vehicle by the driver prior to the commencement of their duties. Any defects identified are recorded on a defect sheet.</p> <p>All vehicles are monitored by managers and Fleet Management on a regular basis to ensure they remain roadworthy.</p> <p>It is a collaborative exercise between the Fleet Manager and the department as to whether a vehicle is fit for purpose or whether it is disposed of.</p> <p>All vehicles are subject to regular maintenance by an external contractor i.e. light goods vehicles are maintained by RT Williams and Heavy Goods Vehicles (HGVs) are maintained by Dennis Eagle. Depending on the type and use of the vehicle will depend on the frequency of the maintenance i.e. light goods vehicles are only subject to annual maintenance whilst HGVs are maintained every 6 weeks.</p> <p>There is a lack of system in place for the removal of logos prior to the disposal of vehicles.</p>

Fleet Management 2018/19 - Control Evaluation

	AREA OF AUDIT	CONTROL GRADE	TEST GRADE	OVERALL GRADE	REASONS
7	All drivers have been issued with and signed for a drivers handbook.	B	C	C	<p>A file is maintained by Fleet Management Services containing the forms signed by the Drivers to say they've received a copy of the handbook. However, the form does not include a declaration stating that they will adhere to the requirements of the handbook.</p> <p>The Driving on Council Policy is in the process of being rolled out throughout the Authority. Included within the Policy are many declarations that must be completed by each member of staff, confirming that they are aware of and agree to the requirements within the Policy</p>
8	Vehicles are examined to identify defects and records maintained of the defects noted.	B	D	D	<p>The results of all vehicles checks are recorded on defect sheets. The defect sheets are controlled stationery and are in triplicate form. The top copy is presented to the Supervisor for authorisation, the middle copy acts as a works order for the contractor to undertake a repair if necessary (stays in the book if no repairs are necessary), bottom copy stays permanently in the book but must also be signed by the contractor if any defects have been repaired.</p> <p>All defects including nil returns are recorded prior to the commencement of its daily duties.</p>

Fleet Management 2018/19 - Control Evaluation

	AREA OF AUDIT	CONTROL GRADE	TEST GRADE	OVERALL GRADE	REASONS
9	Records are held for at least twelve months after the vehicle has been disposed of or returned.	A	A	A	Observations were undertaken by Internal Audit during a visit to Fleet Management Services and it was identified that defect books were being held for a period of 15 months or more.
10	Drivers have been made aware of the legislative requirements regarding driving hours.	A	D	D	The Drivers Handbook provides clear instructions regarding drivers hours and records. The Driving on Council Business policy also provides clear guidance for employees on their responsibilities with regards to drivers hours and records However the drivers have not signed a declaration stating they will comply with the requirements of the handbook or the policy.
11	A record is maintained by drivers of the hours that they have driven and checks are undertaken to ensure that legislation has been complied with.	C	N/A	C	All HGV Drivers use a Tachograph Card to record their daily hours. On at least a 28 day basis, the information is monitored and reviewed by Fleet Management. In the event of an infringement then Fleet Management will request the driver visits the Fleet Management office to state the reason for the infringement e.g. possible misclockings/under minimum break time. The driver is required to sign an infringement sheets when an infringement has been identified to declare it won't occur again. Drivers of light goods vehicles record their daily hours on a log sheet. The log sheets are not monitored by Fleet Management but are provided to managers for record purposes.

Fleet Management 2018/19 - Control Evaluation

	AREA OF AUDIT	CONTROL GRADE	TEST GRADE	OVERALL GRADE	REASONS
12	Action is taken when legislation has not been complied with.	D	N/A	D	<p>Infringements are recorded and monitored by Fleet Management Services. Drivers are contacted by Fleet Management Services to justify the reason for the infringement. The reasons are recorded on an infringement sheet and the driver signs the infringement sheet to confirm the infringement wont reoccur.</p> <p>HR Services are no longer in the involved in the process. The onus is on the relevant manager is investigate and take action if necessary. Fleet Management are unaware if individual managers are taken action as they are not provided with this information.</p> <p>There is no central process in place or evidence that adequate action has been taken to recurring offenders.</p>
13	The authority holds a valid operators licence covering all vehicles subject to licence.	A	A	A	<p>The Authority holds a valid Goods Vehicle Operators Licence. The Licence states the number of vehicles held at each operating Centre.</p> <p>Only HGVs are recorded on the licence.</p> <p>Testing identified that a copy of the valid Heavy Goods Vehicle Operators Licence was obtained and reviewed. All HGV's were listed at the relevant operating centres.</p>

Fleet Management 2018/19 - Control Evaluation

	AREA OF AUDIT	CONTROL GRADE	TEST GRADE	OVERALL GRADE	REASONS
14	The licensing authority are notified of any changes to the fleet and of any convictions.	C	C	C	<p>As per the requirements of the Drivers handbook, it is the responsibility of the driver to notify the DVLA and Fleet Management Services of any convictions.</p> <p>At least on an annual basis, Fleet management Services will check the drivers licences on the DVLA website and check if there are any convictions present that Fleet Management haven't been notified of.</p> <p>The drivers have signed a declaration stating that they must inform Fleet Management Services and the DVLA of any changes to their health, or if they have received any convictions, endorsements or disqualifications. They have not signed a declaration that states that they give Fleet Management permission to check their licences with DVLA.</p> <p>There is no central record maintained of speeding convictions received and passed to the Safety Camera Unit.</p>
15	Operating licences are properly displayed on all vehicles.	A	A	A	<p>Visits were made to three operating centres - Cyfarthfa Park Depot, Highways Dept. (Abercynon), Unit 4 Depot.</p> <p>Observations were made to 10 HGVS, and all vehicles clearly displayed a valid operators licence in the windscreen of their HGVs.</p>
16	All drivers have a valid driving licence.	A	A	A	<p>During Internal Audits visit to the Operating Centres a sample of HGV drivers licences were examined. All drivers held a valid driving licences and a valid CPC licence that allows them to drive an HGV.</p>

Fleet Management 2018/19 - Control Evaluation

	AREA OF AUDIT	CONTROL GRADE	TEST GRADE	OVERALL GRADE	REASONS
17	All vehicles are insured, taxed and MOT'd.	A	C	C	<p>The Authority has a valid Motor Insurance Schedule. The schedule details the number of vehicles and the type of vehicles insured i.e. commercial vehicles up to 3.5t., commercial vehicles up to 7.5t, refuse vehicles, cars and minibuses.</p> <p>A copy of the Motor Insurance Schedule and Certificate of Motor Insurance was obtained and reviewed. At the time of the audit review, the schedule was valid.</p> <p>However, it was not possible to confirm the accuracy of the vehicles included on the Insurance schedule, as the number of vehicles included on the fleet list did not correspond with the number of vehicles included on the Insurance schedule.</p> <p>The Fleet Engineer maintains two maintenance schedules i.e. light goods vehicles and heavy goods vehicles.</p> <p>The schedules are located on a wall within the Fleet Management office. All fleet vehicles are listed on the schedules along with details of any planned maintenance over the year i.e. MOT, Service etc. also included are the dates on which the vehicles tax is due for renewal.</p>
18	There is a planned maintenance programme which all vehicles are subject to.	C	C	C	<p>The Fleet Management Assistant maintains two maintenance schedules i.e. light goods vehicles and heavy goods vehicles. The schedules list all fleet vehicles along with details of any planned maintenance for the year i.e. MOT, Services, mandatory inspections etc.</p> <p>The Parks Department make their own arrangements for the maintenance of their vehicles and plant. A schedule of events is not maintained as their vehicles are only subject to a winter service.</p>

Fleet Management 2018/19 - Control Evaluation

	AREA OF AUDIT	CONTROL GRADE	TEST GRADE	OVERALL GRADE	REASONS
19	Records are maintained of all planned maintenance undertaken.	B	N/A	B	<p>Maintenance records are provided by RT Williams and Dennis Eagle following routine and non-routine maintenance undertaken to vehicles.</p> <p>Internal Audit was informed that maintenance records are kept for a minimum of 15 months, but in most cases they are kept for as long as the vehicle is kept.</p>
20	All vehicles are held securely.	C	D	D	<p>A new Driving on Council Business policy has been approved by Council and training is currently being rolled out to staff involved in the Fleet Management process. There are clear instructions within the policy regarding all aspects of vehicle security i.e. the use of driver ID key fob, vehicle immobilizer, trackers and the garaging and storage of vehicles.</p> <p>There is also information within the Drivers handbook on vehicle security.</p> <p>Where spare keys are provided they are held securely within the vehicle files which are retained in a lockable cupboard within the Fleet Management office. When the office is not manned it is locked. access to the fleet Management office is via a keypad controlled door.</p> <p>There is no list maintained of the spare keys maintained or a record kept of their usage.</p>
	OVERALL OPINION	D	D	D	Unsatisfactory

Fleet Management 2018/19 - Audit Action Plan

Recommendations are categorised on the following basis:

Priority / Key	Category	Definition
1	Mandatory - Urgent	Action is imperative to ensure that the objectives for the area under review are met.
2	Mandatory - Less Urgent	Requires action to avoid exposure to significant risks in achieving the objectives for the area under review.
3	Best Practice / Other Recommendations	Action is advised to enhance control or improve efficiency.

Key	Rec No.	Recommendation /Action	Inspection Agency and Inspection/Audit Report Title	Start Date	End Date	Lead Officer
		Title	Fleet Management 2017/18			
1	1	Recommendation	Staff involved in the Fleet Management process should be fully conversant with the Financial Procedure Rules and the Procurement and Contracting Rules and in particular those areas relevant to Fleet Management Services. In the event of a query, staff should also be aware of the location of the documents.	Jun-19	Sep-19	Building Services Group Manager
			<p>Agreed - Procurement Services are currently in the process of updating the Procurement and Contracting Rules and will be taken to Full Council in September 2019 for approval. Training on the updated Rules will be provided accordingly.</p> <p>An email will be sent to all staff involved in the Fleet Management process reminding them of the importance of adhering to Financial Procedure Rules and Procurement and Contracting Rules.</p>			
1	2	Recommendation	<p>A Fleet Management policy should be written governing acquisitions, disposal and leasing of vehicles. The policy should be reviewed and updated on a periodic basis i.e. annually to ensure it reflects current working practices and subject to version control. The policy should be stored in a suitable location i.e. the Intranet and accessible to all staff involved in the Fleet Management process.</p> <p>The policy should include a declaration that must be signed by officers stating that they have read the policy and agree to comply with the requirements.</p>	Jun-19	Jan-20	Chief Officer Planning & Neighbourhood Services

Fleet Management 2018/19 - Audit Action Plan

Key	Rec No.	Recommendation /Action	Inspection Agency and Inspection/Audit Report Title	Start Date	End Date	Lead Officer
			Agreed - A Fleet Management Policy will be devised governing acquisitions, disposals and the leasing of vehicles. Staff involved in the Fleet management process will be issued a copy of the new written policy and they will be required to sign a declaration stating they have read the policy and agree to comply with the requirements.			
1	3	Recommendation	<p>The Fleet Management Services should devise a set of procedure notes that reflect everyday working practices and procedures.</p> <p>The procedure notes should be reviewed and updated on a periodic basis i.e. annually to ensure it reflects current working practices and subject to version control. The procedure notes should be stored in a suitable location i.e. the Intranet and accessible to all staff involved in the Fleet Management process.</p> <p>The procedure notes should include a declaration that must be signed by officers stating that they have read the policy and agree to comply with the requirements.</p>	Jun-19	Jan-20	Fleet Engineer / Chief Officer Planning & Neighbourhood Services
			<p>Agreed - Fleet Management procedure notes will be devised to reflect the current working practices within the Fleet Management service. Staff involved in the Fleet management process will be issued a copy of the procedure notes and they will be required to sign a declaration stating they have read the policy and agree to comply with the requirements.</p> <p>The procedure notes will be reviewed and updated on a periodic basis.</p>			

Fleet Management 2018/19 - Audit Action Plan

Key	Rec No.	Recommendation /Action	Inspection Agency and Inspection/Audit Report Title	Start Date	End Date	Lead Officer
1	4	Recommendation	<p>Management need to liaise with Procurement Services in order to develop and implement a system to ensure a standard approach to the request to procure vehicles is undertaken. Fleet Management officers should be involved in this process to ensure upon delivery of Fleet Vehicles they have documentation to check the delivery to.</p> <p>Once a system has been developed the procedures could be incorporated into the Fleet Management procedure notes (as per recommendation 3). This will ensure all staff involved in the process have signed a declaration to comply with the requirements of the procedure notes.</p>	Jun-19	Sep-19	Building Services Group Manager
			Agreed - A standard form will be devised for the request to procure vehicles. The procedure notes will be updated to include the new procedure.			
2	5	Recommendation	Officers should ensure that when requesting vehicles in order to keep costs low, requests should only be made for vehicles that are needed and not include features that are desirable. By doing this will enables Procurement Services to procure more standard vehicles as opposed to vehicles with added features for comfort.	Jun-19	Jun-19	Building Services Group Manager
			Agreed - This is already being done. Only standard vehicles are being procured.			
1	6	Recommendation	A review of the fleet list should be undertaken to ensure the vehicles included are fully descriptive and the correct number of vehicles are recorded. This information should be reflected on the insurance schedule, in the event the data doesn't match then necessary action should be taken as a result e.g. records should be updated.	Jun-19	Sep-19	Fleet Transport Officer
			Agreed - The fleet list will be reviewed and updated accordingly. All vehicles included on the fleet list will be fully descriptive. Checks will be made to ensure the information included on the Fleet list reflects the information included on the insurance schedule. The fleet list will be reviewed on a frequent basis and updated as and when changes are made.			

Fleet Management 2018/19 - Audit Action Plan

Key	Rec No.	Recommendation /Action	Inspection Agency and Inspection/Audit Report Title	Start Date	End Date	Lead Officer
2	7	Recommendation	A list should be devised and maintained of all authorised managers involved in the fleet management process including their permissions.	Jun-19	Sep-19	Building Services Group Manager
			Agreed - An authorised signatory list will be compiled and maintained by Fleet Management Services.			
2	8	Recommendation	All vehicles with the exception of short term spot hires vehicles (due to the frequent movement of spot hire vehicles a separate spreadsheet should be maintained) should be recorded on the Central Fleet System.	Jun-19	Sep-19	Fleet Transport Officer
			Agreed - The fleet list will be reviewed and updated accordingly.			
3	9	Recommendation	Officers should be reminded of the importance of accurately completing the fleet list. The Fleet List/System should be reviewed and updated on a regular basis or as and when changes are made to the Authority's fleet.	Jun-19	Sep-19	Fleet Transport Officer
			Agreed - The fleet list will be reviewed and updated accordingly. All vehicles included on the fleet list will be fully descriptive. Checks will be made to ensure the information included on the Fleet list reflects the information included on the insurance schedule. The fleet list will be reviewed on a frequent basis and updated as and when changes are made.			

Fleet Management 2018/19 - Audit Action Plan

Key	Rec No.	Recommendation /Action	Inspection Agency and Inspection/Audit Report Title	Start Date	End Date	Lead Officer
1	10	Recommendation	A system needs to be put in place to ensure the specification of the delivered vehicles matches the specification identified during the procurement process. Evidence of these checks should be undertaken and retained on the vehicle files.	Jun-19	Jan-20	Building Services Group Manager / Chief Officer Planning & Neighbourhood Services
			Agreed - However a standard form is not always possible due to the specifications of the vehicles required. Therefore, the initial specification form will be amended to include a checklist for the delivered vehicle. The form will also be updated to include a signature of the officer undertaken the checks to the delivered vehicle. The procedure notes will be updated to include this process.			
2	11	Recommendation	A document should be devised and implemented by Fleet Management to ensure checks made to delivered vehicles are standardised.	Jun-19	Jan-20	Building Services Group Manager / Chief Officer Planning & Neighbourhood Services
			Agreed - The initial specification form will be amended to include a checklist for the delivered vehicle. The form will also be updated to include a signature of the officer undertaken the checks to the delivered vehicle. The procedure notes will be updated to include this process.			
1	12	Recommendation	To rectify the lack of a consistent approach to the disposal of vehicles a standard system should be devised for the disposal of vehicles e.g. initial request. The Financial Procedures Rules should be updated to reflect the new system and all staff involved in the fleet management process should be informed of the new process.	Jun-19	Jan-20	Chief Officer Planning & Neighbourhood Services

Fleet Management 2018/19 - Audit Action Plan

Key	Rec No.	Recommendation /Action	Inspection Agency and Inspection/Audit Report Title	Start Date	End Date	Lead Officer
			<p>Agreed - A standard system/form will be implemented to ensure a consistent approach to the initial request to dispose of vehicles and that an adequate audit trail exists at all times.</p> <p>Liaisons will be made with the Chief Finance Officer in order to include details of the new system in the Financial Procedure Rules.</p>			
2	13	Recommendation	Fleet Management Services are a central service and should be involved in all aspects of Fleet Services including acquisitions, disposals leasing and maintenance.	Jun-19	Jan-20	Chief Officer Planning & Neighbourhood Services
			<p>Agreed- An email will be sent to all staff involved in the Fleet Management process reminding them that Fleet Services are a central service who have the necessary expertise and experiences to ensure all legal requirements etc. are being complied with.</p>			
2	14	Recommendation	Management should liaise with MMA in order to obtain a list of agreed prices when arranging disposals.	Jun-19	Sep-19	Building Services Group Manager
			<p>Agreed - Liaisons will be made with Procurement Services for advice regarding the disposals of vehicles. Contact will also be made with Merthyr Motor Auctions (MMA) in order to obtain a list of standard charges.</p>			

Fleet Management 2018/19 - Audit Action Plan

Key	Rec No.	Recommendation /Action	Inspection Agency and Inspection/Audit Report Title	Start Date	End Date	Lead Officer
2	15	Recommendation	Whilst the procedure for arranging the removal of logos to vehicles is non existent, there still remain approximately 25% of fleet that have a form of identification mark on them. Officers must satisfy themselves that sufficient arrangements are made for the removal of logos prior to disposal. Evidence of this should be retained on the vehicle files.	Jun-19	Jan-20	Chief Officer Planning & Neighbourhood Services
			Agreed - Following the implementation of a new standard system/form to request the disposal of vehicles, a field will be included on the revised form to include the removal of logos.			
2	16	Recommendation	Staff should be reminded of the importance of complying with the requirements of the Drivers Handbook and consideration should be given to Fleet Management Services producing a declaration form for drivers to sign that they agree to adhere to the requirements of the drivers handbook.	Jun-19	Jan-20	Chief Officer Planning & Neighbourhood Services
			Agreed - Discussions will be made with HR as to the best way to requesting drivers sign a declaration adhering to the requirements of the drivers handbook i.e. undertake training session on the drivers handbook and requesting all participants sign individual declarations.			
3	17	Recommendation	Consideration should be given to Fleet Management implementing a central system for monitoring and recording infringements and also recording any actions taken where a breach in drivers hours has been identified.	Jun-19	Jan-20	Fleet Transport Officer
			Agreed - This is already being done.			

Fleet Management 2018/19 - Audit Action Plan

Key	Rec No.	Recommendation /Action	Inspection Agency and Inspection/Audit Report Title	Start Date	End Date	Lead Officer
1	18	Recommendation	With immediate effect a form needs to be devised that grants permission for Fleet Management staff to access the driver's driving licence information on the DVLA website. Under GDPR protocol, In the absence of a consent form, Fleet Management should cease checking drivers details to the DVLA website. Advice should be sought from the Data Protection Officer with regards to this process as without a consent form, Fleet Management would not be able to check for legit and valid licences.	Jun-19	Jan-20	Chief Officer Planning & Neighbourhood Services
			<p>Agreed. However, a new external system has recently been purchased that carries out checks to drivers licence checks on behalf of the Authority. The checks are carried out on a risk based assessment i.e. the more convictions a driver has the higher frequency of checks undertaken. On a weekly basis the external suppliers will email Fleet Management Services and inform them of any changes in drivers licences i.e. new convictions etc.</p> <p>A form is currently being devised requesting the signatures of all drivers giving consent to the external supplier accessing their driving licence information. The form will also include a declaration stating that any changes to the drivers circumstances, Fleet Services will be notified immediately.</p>			
3	19	Recommendation	Further to this consideration should be given to Fleet Management devising a spreadsheet listing all convictions received. This will enable Fleet Management staff to monitor record and monitor convictions more efficiently. Further advice on maintaining a list should be sought from the Data Protection Officer to ensure compliance with GDPR legislation.	Jun-19	Jan-20	Chief Officer Planning & Neighbourhood Services
			Agreed in principle, however this recommendation is no longer applicable due to the new external system currently being implemented.			
3	20	Recommendation	With regards to the hired vehicles, where possible a schedule of their maintenance should be recorded and kept by the Fleet Engineer.	Jun-19	Jan-20	Fleet Engineer

Fleet Management 2018/19 - Audit Action Plan

Key	Rec No.	Recommendation /Action	Inspection Agency and Inspection/Audit Report Title	Start Date	End Date	Lead Officer
			Disagree - It is not the responsibility of Fleet Services to arrange the maintenance of hired vehicles. This is undertaken by the hire company who informs Fleet Services of all planned/arranged maintenance.			
2	21	Recommendation	A schedule of plant and vehicle maintenance should be maintained. This will allow managers to schedule their work accordingly with minimal disruption.	Jun-19	Jan-20	Parks & Bereavement Services Manager
			Agreed -The Parks and Bereavement Services Manager will liaise with Fleet Services in order to implement a system whereby Fleet Services are notified of all the Parks Department vehicles scheduled maintenance.			
1	22	Recommendation	As a matter of priority, a definitive list of spare keys should be completed and maintained by Fleet Management Services. Once this list has been completed, then a log should be devised to record the usage of the spare keys. The spare keys should be signed for by the Driver requesting the use of the spare keys.	Jun-19	Sep-19	Fleet Transport Officer
			Agreed - A list of all spare keys will be maintained. Included on the list will be a separate section for all waste vehicles, which will also include a field for the drivers to sign the spare key/s in and out.			