

TTC AUDIT COMMITTEE REPORT NO.

MEETING DATE: October 25, 2013

SUBJECT: TTC AUDIT REPORT – RAIL INFRASTRUCTURE
DEPARTMENT – STREETCAR WAY

INFORMATION ITEM:

RECOMMENDATION

It is recommended that the TTC Audit Committee receive for information the attached TTC Audit Report.

01-27



TORONTO TRANSIT COMMISSION

AUDIT OF STREETCAR WAY

OPERATIONS AND SAFETY GROUP RAIL INFRASTRUCTURE DEPARTMENT

Covering Period:
January 2011 to June 2012

TTC AUDIT DEPARTMENT
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EXECUTIVE SUMMARY


This audit assessed the key management and operational controls of the Streetcar Way section of the Rail Infrastructure Department. The audit focused on the following key areas; Track Repair and Maintenance, Employee Training and Development and Contact Administration.

The audit disclosed weaknesses in the MAXIMO system which reports, tracks and creates work orders for track related defects and deficiencies. While track defects are being reported and repaired, the repairs are not being reviewed and closed in MAXIMO by the supervisors. As a result the system is not being used as a management control and planning tool. In addition audit noted that the Standard Operating Procedures (SOP's) had not been updated to include the operation of new equipment and changes in maintenance intervals.

Audit also noted deficiencies pertaining to employee training and development. Several employees had not completed their recertification training within the prescribed period and the training records were not up to date.

There was general agreement on the audit findings and recommendations. Actions are underway to address the deficiencies.

We wish to express our thanks for the cooperation and assistance from all parties during the course of the Audit.


Head of Audit


Auditor

BACKGROUND

Prior to the departmental reorganization in 2012, at the time of the audit the Rail Infrastructure Department consisted of five sections: Subway and SRT Track, Streetcar Way, Structure Inspection, Structure Maintenance and Maintenance Engineering. These sections are responsible for the inspection, maintenance, replacement and rehabilitation of subway, streetcar and SRT track and related structures. They also provide technical engineering and construction coordination services, survey support, and property development design reviews, as well as, prepare designs and contract documents for both subway and surface track projects.

Streetcar Way is one of the sections within the Rail Infrastructure Department and is comprised of the Hillcrest, Roncesvalles and Russell divisions. These divisions are responsible for operation and maintenance of the streetcar TTC tracks, switches and track rehabilitation program.

The approved 2012 Operating budget (in thousand \$) for the Streetcar Way Section is outlined below:

BUDGET	Labour	Non-Labour	Total
Operating	\$6,284.2	\$3,433.7	\$9,717.9
TOTAL	\$6,284.2	\$3,433.7	\$9,717.9

The approved employee positions for the section for 2012 are as follows:

EMPLOYEE POSITIONS	Operating	Capital	Total
Management/Supervisory	14	11	25
Hourly (incl. Clerical)	76	52	128
TOTAL	90	63	153

AUDIT SCOPE AND OBJECTIVES

Scope: A review of key management and operational controls with regard to the Streetcar Way section of the Rail Infrastructure Department for the period January 2011 to June 2012.

Objectives: To assess the management and operational controls to ensure:

- accountability and reporting relationships are appropriate for the TTC
- due regard for economy, efficiency and effectiveness
- procedures and processes are in place to measure and report on key activities
- compliance with legislative and TTC requirements
- timeliness, accuracy, completeness and authorization of transactions and data
- safeguarding and control of assets

AUDITED ITEMS FOUND ACCEPTABLE

KEY CONTROL	FINDING
Safety/Hazard and Risk Assessment	Controls are in place to ensure adherence and compliance to TTC safety standards.
Rail Wear Inspections	Controls are in place for the annual rail wear inspection process.

ANALYSIS AND RECOMMENDATIONS

FINDING #1

INSPECTION REVIEW AND TESTING

OBJECTIVE: To ensure Streetcar Way Track Inspection activities are efficiently and effectively managed.

ANALYSIS: Work procedures are documented in the section's Standard Operating Procedures (SOP's); and, Inspections are scheduled and the completion monitored using the MAXIMO application.

A review of the Work Order Tracking Overview in MAXIMO found the following discrepancies;

- Four of the 19 work orders listed on the report were not closed out as required after the work was completed.
- The maintenance schedule in MAXIMO was different from the maintenance intervals documented in the SOP. The SOP's have not been updated to include the operation of new equipment and the change in maintenance intervals.

RECOMMENDATIONS: Management should ensure that:

- work orders are regularly reviewed and closed on a timely basis
- SOP's are updated to include new maintenance procedures and inspection intervals

MANAGEMENT RESPONSE:

Operational adjustments such as the Hako sweeper introduction enhanced Preventative Maintenance (PM) frequencies adjustment made in MAXIMO – SOP updates to be completed.

We do have a process, hopefully with MAXIMO 7 upgrade we will have greater ability to manoeuvre work orders within the system. No changes planned at this time.

Completion Date: April 2014

Responsibility: Manager – Streetcar Way

FINDING #2

SAFETY TRAINING AND DRIVERS LICENCE VERIFICATION

OBJECTIVE: To ensure training and development activities are effectively managed, and that employees are in possession of a valid driver's licence.

ANALYSIS: The section employees are required to complete various safety and job related training. Some courses require recertification at predetermined intervals.

Audit found that Training records are being maintained within the section and on the Training and Development Department's Pathlore system. A review of the training records found the following discrepancies:

- Two of the five track welders did not complete their recertification training within the prescribed 3 year period.
- Pathlore records were incomplete. All completed courses had not been entered on the system.
- The Drivers-Non-Revenue Commercial Vehicles list for employee driver information has not been updated in Pathlore for the last two years.

RECOMMENDATIONS: Management should ensure that:

- training recertification is completed within the prescribed timeframe
- employee training information in Pathlore is maintained and updated

MANAGEMENT RESPONSE:

Streetcar Way will meet with the Training Department to determine what can be improved regarding recertification.

Streetcar Way will meet with the Training Department to determine what can be improved regarding Pathlore records.

Streetcar Way will look to automate the prompt of Driver Licence checks.

Completion Date: September 2013

Responsibility: Manager – Streetcar Way