

Fleet Services Response to Audit Recommendations on a Fully Integrated, Enterprise-Wide Telematics Solution and Implementation Plan for City of Toronto and Contracted Vehicles

Date: October 19, 2021

To: Audit Committee

From: General Manager, Fleet Services

Wards: All

SUMMARY

The purpose of this report is to provide an update to the Audit Committee on Fleet Services' recommendations on a fully integrated, enterprise-wide telematics solution and implementation plan for City of Toronto and contracted vehicles.

During its meeting on April 7 and 8, 2021, City Council adopted the Audit Committee's recommendation in Item AU8.11, *Audit of Winter Road Maintenance Contracts - Fleet Services Division's Update*, requesting the General Manager, Fleet Services to report to the Audit Committee in the fourth quarter of the same year with recommendations on a fully integrated, enterprise-wide telematics solution and implementation plan for City of Toronto and contracted vehicles.

RECOMMENDATIONS

The General Manager, Fleet Services recommends that:

1. The Audit Committee receive this report for information.

FINANCIAL IMPACT

There is no financial impact resulting from the adoption of the recommendation in this report.

DECISION HISTORY

On April 7, 2021, in consideration of the Audit Committee's recommendation on February 16, 2021, City Council requested the General Manager, Fleet Services to report to the Audit Committee in the fourth quarter of 2021 with recommendations on a fully integrated, enterprise-wide telematics solution and implementation plan for City of Toronto and contracted vehicles.

[Agenda Item History - 2021.AU8.11 \(toronto.ca\)](#)

On October 27, 28 and 30, 2020, in response to the Auditor General's findings in the report, Audit of Winter Road Maintenance Program - Phase One: Leveraging Technology and Improving Design and Management of Contracts to Achieve Service Level Outcomes (Item 2020.AU6.2), City Council requested the General Manager, Fleet Services, to report to the Audit Committee in the first quarter of 2021 on which City and contracted vehicles are equipped with GPS devices and which others, if any, should have them (Recommendation No. 28).

[Agenda Item History - 2020.AU6.2 \(toronto.ca\)](#)

On April 7 and 9, 2021, City Council adopted the Audit Committee's recommendation in the report, AU8.6 on February 16, 2021, Getting to the Root of the Issues: A Follow-Up to the 2019 Tree Maintenance Services Audit to request the General Manager, Fleet Services, in consultation with the Chief Technology Officer and the General Manager, Parks, Forestry and Recreation and other client divisions, to: a) explore an enterprise-wide procurement of a telematics solution that can be leveraged into vehicles of outsourced service providers to support contract management and monitoring; and b) establish guidelines for how to leverage or integrate GPS data to support contract management and monitoring, including data analytics (Recommendation No. 34)

[Agenda Item History - 2021.AU8.6 \(toronto.ca\)](#)

COMMENTS

The telematics solution for both City-owned assets and contracted services was considered by City Council as a result of two (2) Auditor General Reports:

- 1) Winter Road Maintenance Program - Phase One: Leveraging Technology and Improving Design and Management of Contracts to Achieve Service Level Outcomes in Transportation Services Division (TSD) on October 8, 2020, and
- 2) Getting to the Root of the Issues, A Follow-Up to the 2019 Tree Maintenance Services Audit in Parks, Forestry and Recreation (PF&R) Division on February 2, 2021.

In these audit reports, the Auditor General recommended Fleet Services to implement a telematics solution not only for these two (2) audited Divisions but also for all Divisions and Agencies who utilize City-owned fleet assets and contracted vehicles and

equipment to immediately address the audit findings as well as further realizing savings for the City.

Fleet Services will continue oversight of telematics devices on City-owned and contracted vehicles by working closely with City Divisions and Agencies to ensure their telematics solution meets their business needs. By centralizing telematics oversight, Fleet Services can ensure the full benefits of telematics can be achieved to optimize City fleet and contractor operational performance, increase safety, accountability, manage outcomes against Key Performance Indicators and lower the total cost of services. When a fully integrated, enterprise-wide telematics solution is implemented after investing in the additional operating cost, the City will benefit from cost-savings at a two (2) to one (1) ratio.

Program Updates

When reporting to the Audit Committee in the first quarter of 2021 (Item 2021.AU8.11), Fleet Services proposed an action plan and would provide the outcomes in the fourth quarter of the same year. Table 1 indicates status updates on this plan.

Table 1 – Actions and Outcomes for the City of Toronto's Telematics Device Requirements

Action	Outcomes	Status
Coordinate with Heads of Divisions using telematics technology, to ensure that the contract with the City's telematics vendor meets the needs of the City of Toronto Divisions and Agencies; for both City-owned assets and contracted services.	In March and April 2021, Fleet Services coordinated with twenty (20) City of Toronto Divisions and Agencies to collect preliminary telematics requirements for both City-owned assets and contracted services.	Completed
Ensure telematics data aids in measuring key performance indicators used to hold City Divisions and contractors accountable for providing City services.	The current telematics solution contract was amended to include newer, upgraded hardware and software to track key performance indicators and ensure telematics data meets the City's needs.	Completed

Action	Outcomes	Status
Develop a plan in conjunction with the Chief Technology Officer and Divisions to integrate the telematics data into the various City information management systems to modernize service delivery.	Fleet Services has been working with Technology Services, City Clerk's Office and the Office of Chief Information Security Officer (CISO) to ensure no potential risk to the City's Technology infrastructure.	In progress
Include management and sustainment plans to ensure device operability, that value is obtained, and that solutions continue to evolve as technology changes.	In the third quarter of 2021, Fleet Services allocated a position of Program Manager to develop, monitor and evaluate the implementation plan and regularly report to Fleet Services Senior Management Team.	Completed

Implementation Plan

To propose a fully integrated, enterprise-wide telematics solution and implementation plan for City of Toronto and contracted vehicles, Fleet Services has coordinated with City Divisions and Agencies to ensure the tasks and estimated timelines to meet audit recommendations as indicated in Table 2.

Table 2 – Tasks and Estimated Timelines of an implementation plan

Task No.	Description	Estimated Timelines
1	Launch Pilot Project for Transportation Services' Winter Maintenance Program by implementing 46 telematics devices on City-owned sidewalk plows.	Q4 2021
2	Implement 614 telematics devices on City's owned fleet assets for PF&R, Transportation, Solid Waste Management Services (SWMS) and Toronto Community Housing Corporation (TCHC).	Q1 - Q2 2022
3	Develop guidelines for leveraging or integrating GPS data to support contract management and monitoring, including data analytics by coordinating with Client Divisions for their requirements and procedures.	Q1 2022

Task No.	Description	Estimated Timelines
4	Implement 1,100 telematics devices on contracted assets for Transportation Services Winter Maintenance Program	Q3 - Q4 2022
5	Implement more telematics devices on City-owned and contracted assets for the remainder of Client Divisions	Q4 2022 - Onward

CONTACT

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SIGNATURE

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