

## **Roads Pothole Remediation Audit**

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### **EXECUTIVE SUMMARY**

The City Auditor's Office issued the Roads Pothole Remediation Audit Report to Administration on April 28, 2020. The report includes Administration's response to four recommendations raised by the City Auditor's Office to improve the effectiveness and efficiency of current pothole remediation processes. Administration accepted all recommendations and has committed to the implementation of action plans no later than December 31, 2020. The City Auditor's Office will track the implementation of these commitments as part of our ongoing follow-up process.

### **ADMINISTRATION RECOMMENDATIONS**

That with respect to the Report AC2020-0408, the following be approved:

1. That the Audit Committee receive this Report for the Corporate Record; and
2. That the Audit Committee recommend that Council receive this Report for the Corporate Record.

### **PREVIOUS COUNCIL DIRECTION / POLICY**

Bylaw 30M2004 (as amended) established the position of City Auditor and the powers, duties and functions of the position. Under the City Auditor's Office Charter, the City Auditor presents an annual risk-based audit plan to Audit Committee for approval. The City Auditor's Office 2019/2020 Annual Audit Plan was approved on September 18, 2018. The City Auditor is accountable to Council and subject to the oversight of Audit Committee under Bylaw 48M2012 (as amended).

### **BACKGROUND**

This audit was undertaken as part of the approved City Auditor's Office 2019/2020 Annual Audit Plan. Repairing potholes is a major part of The City of Calgary Roads' business unit (Roads) continual maintenance of Calgary's roadways, and an essential part of keeping traffic moving safely through The City. The objective of this audit was to assess whether Roads has designed and implemented effective processes to support timely and quality pothole repairs. The audit focused on Roads operational processes and practices and relevant data pertaining to activity occurring from January 1, 2019, to September 30, 2019. Technical quality of the fill was not tested, however, the audit examined the processes in place to ensure quality of the asphalt is maintained. We conducted interviews with five out of nine depots (one depot from each of Roads districts) and assessed operations through analysis of 2019 3-1-1 pothole service request data, resource and equipment scheduling, training records and foreman inspection and quality processes.

### **INVESTIGATION: ALTERNATIVES AND ANALYSIS**

Overall, we concluded that Roads utilizes varying prioritization and quality practices across each district and within individual depots which generally support effective processes. Given the importance of road maintenance to citizens and the likely increase in demand for pothole repairs, due to aging and expanding Roads infrastructure, our four recommendations focused on improving the effectiveness and efficiency of current pothole processes. These recommendations included a framework of standardized prioritization processes and development of key performance indicators, linked to prioritization, to effectively monitor timeliness of pothole repairs.

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These recommendations, once implemented will also establish processes which will continue to support timely and quality pothole repairs in future years.

### **Stakeholder Engagement, Research and Communication**

This audit was conducted with Roads acting as the principal audit contact within Administration.

### **Strategic Alignment**

Audit reports assist Council in its oversight of the City Manager's administration and accountability for stewardship over public funds and achievement on value for money in City operations.

### **Social, Environmental, Economic (External)**

N/A

### **Financial Capacity**

#### **Current and Future Operating Budget**

N/A

#### **Current and Future Capital Budget**

N/A

### **Risk Assessment**

The activities of the City Auditor's Office serve to promote accountability, mitigate risk, and support an effective governance structure.

Repairing potholes is a part of Roads continual maintenance of Calgary's roadways. It is an essential part of keeping traffic moving safely through The City and a top priority to citizens.

### **REASON FOR RECOMMENDATIONS**

Bylaw 48M2012 (as amended) states: "Audit Committee receives directly from the City Auditor any individual audit report and forwards these to Council for information".

## **ATTACHMENT**

1. Roads Pothole Remediation Audit