

ADMINISTRATION RESPONSE TO FACILITY MAINTENANCE SERVICES AUDIT

Recommendation

That the November 29, 2024, City Operations report CO02706, be received for information.

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| Requested Action | Information only | | |
| ConnectEdmonton's Guiding Principle | ConnectEdmonton Strategic Goals | | |
| CONNECTED This unifies our work to achieve our strategic goals. | Climate Resilience | | |
| City Plan Values | PRESERVE | | |
| City Plan Big City Move(s) | Greener as we grow | Relationship to Council's Strategic Priorities | Conditions for service success |
| Corporate Business Plan | Managing the corporation | | |
| Council Policy, Program or Project Relationships | <ul style="list-style-type: none"> City Policy A1403A - Maintenance of City Owned Facilities | | |
| Related Council Discussions | | | |

Executive Summary

- In 2024, the Office of the City Auditor (the Auditor) conducted an audit of Facility Maintenance Services to determine whether the Fleet and Facility Services Branch performs facility maintenance services effectively to meet client needs. The audit focused on the planning and delivery of maintenance work.
- The Auditor determined the Fleet and Facility Services Branch is committed to providing maintenance services that ensure City facilities are safe, functional and compliant with regulatory and legislative requirements.
- The Auditor also identified areas of improvement; for example, in regards to documenting and completing work orders, clarifying mandates, tracking workload capacity, monitoring staff and documenting safety requirements.
- Administration accepts all of the Auditor's recommendations.

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REPORT

Facility Maintenance Services (FMS) is responsible for maintaining over 900 City-owned and leased facilities, valued at more than \$7 billion. FMS includes both in-house staff and a broad portfolio of contractors overseeing operational maintenance, including custodial services for facilities and infrastructure assets.

FMS provides essential services such as electrical work, roofing, carpentry, locksmithing, plumbing, HVAC repair and custodial services. These tasks, alongside structured maintenance plans, help to extend the life of facility assets in alignment with the City's Asset Management Policy. The teams within FMS collaborate with contract inspectors to handle day-to-day operations; conduct repairs and maintenance activities; oversee capital and renewal projects to ensure long-term sustainability; provide financial and administrative services; and maintain relationships with business partners.

FMS is advancing new technologies in predictive maintenance, building management for remote operational efficiency monitoring and onsite solar energy projects. These technologies help reduce the City's energy consumption and lower overall greenhouse gas emissions.

On a daily basis, the FMS team ensures City facilities remain safe, clean, functional and compliant with regulatory and legislative standards, enabling client groups to deliver their services effectively.

Following a reorganization, the Fleet and Facility Services (FFS) branch was established on July 15, 2016. A best-practice review by an external consultant in 2017 provided insights into resource capacity and workflow efficiency within FMS by benchmarking against similar organizations. This review led to the FMS Transformation Project, which introduced several improvements, including:

- A review of financial policies and key performance indicators
- Updated asset maintenance guidelines
- A centralized zone approach for improved planning, organization, and oversight
- Enhanced inventory management and procurement
- A multi-zone operating model to reduce response times and foster familiarity with clients

A key recommendation from the review highlighted the need for a user-friendly software solution to support reporting, monitoring and SAP integration. Although software implementation was paused pending the launch of Enterprise Commons, certain gaps and opportunities were reaffirmed in a recent FMS audit within the existing system.

By implementing the Auditor's recommendations alongside the improvements realized through the Transformation Project, FMS will continue to optimize services, ensuring efficient use of resources while upholding fiscal responsibility.

Audit Recommendations and Responses

Facility Maintenance Services accepts all five of the recommendations in the Facility Maintenance Services Audit Report OCA02768 and recognizes and values the opportunities to improve the effectiveness of the performance of facility maintenance services to better meet client needs.

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Audit Recommendation 1

We recommend that FMS update its governing documents to reflect current practices, including a clear and consistent mandate and communicating this to FMS clients.

Audit Recommendation 1 Administration Response

Administration will review and update documents such as Service Level Agreements (SLAs) and integrate new SLAs with other client departments as part of performance plans. A key focus will be on outdated City Policy A1403A, which addresses the Maintenance of City Owned Facilities, ensuring that the mandate is clear and consistent across all documents, in alignment with asset management principles. This new standard will define and scope capital work, such as replacement and renovation projects.

Clearly defined policies, roles and responsibilities are essential for the City to achieve its strategic goals and operational outcomes. Consequently, City Policy A1403A - Maintenance of City Owned Facilities will be rescinded, as it is no longer relevant. In its place, a new Standard (Maintenance of City Owned Facilities) will be established. This Standard will be compliance-oriented, establishing a minimum level of work quality without requiring a parent policy.

Administration will develop this standard to align legislation with strategic intentions, providing clear direction through measurable actions. Designed to support excellence in service delivery, the standard will offer clear, accessible and actionable processes for employees, ensuring consistent policy application and accountability.

To maintain its relevance, the Standard (Maintenance of City Owned Facilities) will undergo regular reviews, typically within a three-year cycle. This commitment to ongoing evaluation ensures the standard remains a practical and useful tool for the organization.

Additionally, Administration is advancing an initiative that will establish asset data management governance, identify data storage practices, integrate systems and standardize asset identification. Facility Maintenance Services will align its standards and documents with the recommendations from this project.

As part of implementing the new standard, Facility Maintenance Services will engage in Service Level Agreement (SLA) discussions with major clients, including Community Recreation and Culture, Waste Services, Edmonton Police Service, Edmonton Transit Service and Edmonton Public Library. These SLAs will clarify the roles and responsibilities for asset and maintenance support, creating a clear, consistent framework for collaboration with clients. Facility Maintenance Services will continue to develop SLAs that incorporate capital work as part of their scope, with periodic reviews to ensure their ongoing relevance.

Implementation date - May 31, 2026

Audit Recommendation 2

We recommend that FMS provide staff with clear guidelines on how to document work performed and close work orders and monitor whether staff are complying with this guidance.

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Audit Recommendation 2 Administration Response

Administration will update and enhance the existing Standard Operating Procedures (SOPs) to provide clear guidelines for documenting and completing work orders. Additionally, more frequent training sessions for all relevant staff will be implemented to ensure they are fully equipped to adhere to the updated SOPs.

FMS' Standard Operating Procedures (SOPs) are inward-facing compliance-oriented requirements for employees that help ensure work is completed consistently and to a minimum standard of quality. Updating the SOP on completing work orders is important for the following reasons:

- To create consistency and clarity in the management of work orders that supports KPI measurements, such as how much work is being completed, the required time to complete the work and completion status
- To prevent additional purchase orders from being generated on completed work orders
- To indicate the work order is ready to be invoiced or provided as back up for insurance claims

FMS will review and update relevant SOPs and communicate to applicable staff that are completing work orders. A central repository of SOPs will be available for internal staff as well as client partners. An outstanding work order report will be run on a regular basis and reviewed to ensure work orders are closed appropriately and on a timely basis.

Implementation Date: January 31, 2026

Audit Recommendation 3

We recommend that FMS develop indicators to track workload capacity and use that information to determine if they can accept demand work.

Audit Recommendation 3 Administration Response

Administration will develop activity reports that focus on dashboards that have clear, measurable indicators. Training and utilization of dashboards will be rolled out to key user groups.

Administration is committed to developing activity reports that focus on dashboards with clear, measurable targets. These dashboards will be introduced to key user groups through comprehensive training.

As part of the guidelines for documenting and completing work orders outlined in Recommendation 2, Administration will prioritize three main dashboards: Preventative Maintenance and Compliance, Outstanding Work Orders and Work Order Volume and Costs. These will be updated with measurable targets to track performance effectively. Staff will receive training to use these tools, ensuring workload capacity is monitored and demand work is managed effectively. This approach will also empower the organization to have better visibility into workload and performance metrics, supporting more informed decision-making at the operational level.

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In addition, a new dashboard will be implemented to track legislative maintenance intervals, ensuring compliance with legal mandates. This will help ensure that legislative requirements are met without compromising customer service timelines.

Currently, Administration is implementing an updated Enterprise Resource Planning (ERP) software system. As part of this process, Administration will evaluate the system's ability to track and report on workload capacity. If the system is not equipped to support this functionality, a further review will be necessary. This may involve seeking additional resources and budget allocation to implement a scheduling tool that meets workload and capacity tracking needs.

Implementation Date: December 31, 2025

Audit Recommendation 4

We recommend that FMS management improve how it monitors the accountability of forepersons and contract inspectors for:

- *The hours worked*
- *Compliance with the hybrid work arrangement*
- *Consistent use of location monitoring for safety purposes*

Audit Recommendation 4 Administration Response

Administration will develop a process for monitoring hours worked for forepersons and contract inspectors that includes awareness of location for safety purposes. Training on the process and quarterly monitoring will be developed and communicated to FMS including compliance with updated hybrid work arrangements.

Facility Maintenance Services will review all eligible and approved employees under the hybrid work arrangement policy to ensure alignment with business needs and that operational requirements are met. A process consistent with corporate standards will be established, prioritizing staff safety, location suitability and well-being. Training on this process will be provided to ensure proper oversight and reporting.

Implementation Date: November 30, 2025

Audit Recommendation 5

We recommend that FMS consistently completes the required safety forms and verifies that they are completed to meet safety requirements.

Audit Recommendation 5 Administration Response

Administration will continue using the new Safety Inspection App and Field Level Hazard Assessment (FLHA) App. This tool helps ensure that safety measures are in place and monitored. FMS will include inspection completion in staff performance plans, addressing the safety of employees working alone. Forepersons will receive guidelines to check FLHAs, with support from Administration's safety teams, to ensure consistency with safety protocols. Compliance will be reviewed regularly to encourage greater use of safety inspections and FLHAs.

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The Safety Inspection App will enhance the inspection process by simplifying data collection and enabling direct uploads to the Safety Data Management System (SDMS) dashboard. This app will also offer immediate access to critical safety updates and resources, aligning with the organization's safety objectives and the COR Audit action plan to ensure standardized and consistent safety form completion and review.

Field Level Hazard Assessments (FLHAs) will continue to be conducted via the FLHA app and reviewed by forepersons. In partnership with Occupational Health and Safety, Facility Maintenance Services will develop a process to ensure ongoing monitoring of FLHA completion.

Facility Maintenance Services will explore technology solutions to integrate SAP with current safety systems and apps, enhancing data consistency across platforms. Usage and compliance for inspections and FLHAs will be monitored through dashboards over a one-year period, with any necessary process improvements identified and implemented afterward.

Implementation Date: January 31, 2026

Community Insight

Facility Maintenance Services is an inward-facing service that works with public facing client groups such as Edmonton Public Library, Edmonton Police Service, Community Recreation and Culture and other City of Edmonton branches. FMS is responsive to 311 inquiries that relate to the maintenance of City facilities, but does not conduct external engagement with Edmontonians.

GBA+

Facility Maintenance Services maintains City facilities (focusing on the customer-facing facilities such as recreation centres). Many of these facilities offer programs for people with disabilities, youth, seniors, lower income families, and are accessed by a diverse range of intersecting identity factors such as ages, races, genders, ability and income levels. This includes racialized/visible minorities, Indigenous peoples and other equity-deserving groups.

FMS assists client areas to ensure that facilities are safe, clean and accessible for all Edmontonians. Ensuring that residents feel welcome and safe in City facilities is a priority and efforts to continuously improve the experience of residents is of utmost importance.

Environment and Climate Review

Facility Maintenance Services can support reduced energy consumption, extend asset lifespan and reduce environmental impacts. Administration's review and development of documents in response to Audit Recommendation 1 will consider Council Policy C598A Asset Management guiding principles which include considerations for environmental protection and climate resilience. Adherence to new and updated documents and SOPs in the delivery of facility maintenance services supports achievement of environment and climate commitments in City policies and compliance environmental regulations.