



Office of the Auditor General

Our Vision

A relevant, valued and independent audit office serving the public interest as the House of Assembly's primary source of assurance on government performance.

Our Mission

To make a significant contribution to enhanced accountability and performance in the provincial public sector.

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1 Message from the Auditor General

Appointment as Auditor General

On April 29, 2014, I was appointed as Auditor General of Nova Scotia for a term of 10 years beginning July 2, 2014. The goal of my office is to provide independent and objective assurance concerning the operations of the Government, the use of public funds, and the integrity of financial and performance reports. To do this we issue independent opinions on Government financial reports and conduct performance audits on public sector operations to assess whether:

- governance frameworks provide appropriate direction, control and accountability;
- value for money is achieved;
- public funds and property are properly managed; and
- legislation and government policies are complied with.

Our audits not only seek to identify significant issues, but also provide recommendations to improve the management of the public sector. We work closely with the Public Accounts Committee and senior Government officials as they strive to deliver services to Nova Scotians in the most efficient and economical manner possible.

I would like to thank my executive team and all staff within the Office for a smooth transition and working with me as we fulfill our mandate and strive to continue to do better into the future.

Going Forward

Implementing actions to address weaknesses from prior audit reports

Over the past number of years, my Office has reported on the low level of success by Government officials in implementing their promised action on the problems facing Government on a timely



basis. We understand that governments face many challenges, changing priorities and fiscal constraints. However, failing to implement the promised action increases the risk that services are not effectively delivered in the most efficient and economical manner possible. Departments need to do a better job of implementing our recommendations and elected officials, such as the Public Accounts Committee, need to continue to hold departments accountable for results.

My expectations

Our audits are well thought out and involve the auditee from the planning to reporting phases. We will continue to work to ensure our recommendations are focused, reasonable, and have a commitment from auditees to address the issues in a timely manner. Therefore, I would like to see more timely implementation of promised change so that all Nova Scotians get the services they need. If promised change does not happen, the Nova Scotia Legislature and citizens need to know who did not deliver, why and what the consequences are. This is accountability at its core, which is fundamental to a public sector facing fiscal and other constraints.

2 Community Services: Integrated Case Management System

The Department of Community Services and the Department of Internal Services do not have all the necessary controls in place to protect the privacy, integrity and availability of the data in the Integrated Case Management (ICM) system. Given that the system was implemented in 2007, we assessed the system against the processes and controls that would be expected around a mature IT environment. The following table shows the results of our assessment of the ICM system's controls.

Sections	Confidentiality	Integrity	Availability
Information Technology Security	●	●	●
IT Service Operations	●	●	●
Data Integrity	--	●	--
IT Governance	●	●	●
<p>● Improvements are required. ● Significant improvements are required. -- Controls assessed in this section are not meant to address confidentiality or availability.</p>			

We noted that Community Services has made positive steps through initiatives in the areas of training, IT control assessments, IT technical forums and project management. However, we identified significant weaknesses in the IT security of systems. We also identified processes that need to be redesigned or enhanced, including those of IT risk management. These deficiencies put the confidentiality, integrity and availability of information within the ICM system at risk.

Confidentiality: Security weaknesses in the configuration of the system allowed us to gain unauthorized access to sensitive personal information maintained in ICM, including detailed case notes, names of children taken into care, and financial information. Access to this personal information is limited to users within the government network. Some of these weaknesses were subsequently addressed by Community Services after we communicated them.

Integrity: There are weaknesses in how ICM accepts and stores data, as well as in the processes around managing changes, user access and



incidents. Incomplete and inaccurate information can negatively impact the decisions of those providing services.

Availability: There are deficiencies in monitoring system resources and availability; planning to restore ICM in the event of an outage; and central oversight of business continuity plans. The risk associated with these deficiencies is high because of the intermittent system outages ICM has been experiencing. Timely access to the client and case information within ICM is required for employees providing services to Nova Scotians.

Recommendations

Recommendation 2.1

The Department of Community Services and the Department of Internal Services should address security weaknesses identified in ICM databases and servers.

Recommendation 2.2

The Department of Community Services should ensure only authorized users have access to only the information necessary to fulfill their job requirements and only for the period of time required.

Recommendation 2.3

The Department of Community Services should regularly analyze results of its reported incidents and take action to address weaknesses on a timely basis.

Recommendation 2.4

The Department of Community Services should ensure documentation to support the management of changes to ICM is maintained, including its purpose, testing results and applicable approvals.

Recommendation 2.5

The Department of Community Services and the Department of Internal Services should monitor the performance and capacity of the ICM systems on an ongoing basis and address any issues.



Recommendation 2.6

The Department of Community Services should ensure that business continuity plans are in place and contain information such as prioritization and timelines for restoration of key Department computer programs.

Recommendation 2.7

The Department of Internal Services and the Department of Community Services should work together to incorporate the Department of Community Services' business continuity plan into the Province's disaster recovery plan.

Recommendation 2.8

The Department of Community Services should closely control and monitor the risks related to payments made without a case identification number.

Recommendation 2.9

The Department of Community Services should enhance controls over bank account assignments to clients.

Recommendation 2.10

The Department of Community Services should reduce duplicate clients and trustees within ICM.

Recommendation 2.11

The Department of Community Services should ensure it has a control framework for IT which includes risk management and a plan to assess the ongoing effectiveness of controls.

Recommendation 2.12

The Department of Community Services should finalize an approved IT strategic plan that includes the role and responsibilities of the Information, Communication and Technology Services branch and the Department.



3 Education and Early Childhood Development: Tri-County Regional School Board

Neither the governing Board nor management at the Tri-County Regional School Board is fully meeting their respective responsibilities in the oversight and monitoring of the delivery of educational services in their schools. While governing Board members and management have numerous and varied roles and responsibilities, their fundamental responsibility is to ensure the educational progress of their students is meeting expectations.

Although the governing Board meets on a regular basis they do not receive sufficient information or spend appropriate effort on the fundamental role of educating students. The Board does not request or receive important information to know whether schools are planning and making sufficient progress towards achieving business plan goals, the academic performance of students is meeting expectations, and the development needs of teachers and principals are met. Roles and responsibilities need to be clearly defined so that they are understood by both the governing Board and management.

The Board has identified improving student achievement in numeracy and literacy as priorities, but has not undertaken an in-depth analysis to determine the root causes in its schools which are contributing to the underachievement of students in these two areas. We recommended the Board undertake such an analysis in order to identify and develop specific strategies to target key reasons their students are underperforming.

Although management directed schools to create annual school improvement plans, the goals outlined in the plans did not always align with the Board's priorities. Reporting by schools on progress towards their goals was limited. Management needs to ensure school improvement plans address Board and school priorities and reports on progress are timely.

Management monitors student progress in literacy through Provincial assessments and school-based testing, and has implemented an early literacy program. However, management does not fully monitor, or take action, on student progress in its other priority area of numeracy. Management also does not regularly monitor progress in other subject areas, including progress of students with individualized program



plans. We recommended management regularly examine student progress in all subject areas, including students with individualized program plans, and take action to ensure students are progressing appropriately.

Recommendations

Recommendation 3.1

The governing Board of the Tri-County Regional School Board should define its role and responsibilities and the information required from management in order to fully carry out its duties in educating students. Board members should also complete an annual self-assessment of their performance and address any identified weaknesses in a timely manner.

Recommendation 3.2

The governing Board of the Tri-County Regional School Board should request that management determine and address the reasons for the unsatisfactory performance of its students in literacy and numeracy. In addition, the Board should regularly review reports on student performance, including students on individualized programs, to hold management accountable for the delivery of educational services to its students.

Recommendation 3.3

The governing Board of the Tri-County Regional School Board should ensure that appropriate school improvement plans align with Board goals and oversee whether expected results are being achieved.

Recommendation 3.4

The governing Board of the Tri-County Regional School Board should ensure that teacher and principal evaluations are completed according to Board policy, that teachers are adhering to the provincial program of studies, and that staff development needs are being met.

Recommendation 3.5

The governing Board of the Tri-County Regional School Board should evaluate the Superintendent's performance against the responsibilities of the position and take any necessary action.



Recommendation 3.6

Tri-County Regional School Board management should ensure that school improvement plans and annual reports are completed on a timely basis, include specific goals and strategies to address Board and school priorities, and report progress on achieving goals.

Recommendation 3.7

Tri-County Regional School Board management should regularly monitor the performance of students in all subject areas and take the required action to ensure student achievement meets expectations.

Recommendation 3.8

Tri-County Regional School Board management should appropriately monitor the performance of students with individualized program plans and take needed action to ensure those students progress as expected.

Recommendation 3.9

Tri-County Regional School Board management should ensure the evaluation process includes recommendations for improvement that are specific and that timely follow-up is completed to determine if appropriate progress has been made.

Recommendation 3.10

Tri-County Regional School Board management should ensure that professional growth plans are completed and that plans link to Board and school improvement goals.

4 Health and Wellness: Surgical Waitlist and Operating Room Utilization

Data in the Province's surgery wait time registry – PAR-NS – is reasonably accurate and there have been efforts to improve elective surgery wait times in recent years. However, Nova Scotia does not have adequate processes to manage waitlists for surgery or to optimize operating room use focused on surgical priorities. Nova Scotia still lags far behind national benchmarks in key areas; in 2013, only 43% of knee replacements met the six-month benchmark. There is no overall action plan to deal with this.

Health and Wellness has not set performance targets for elective surgery wait times. Annual demand has routinely outpaced completed surgeries. Without targets, it is difficult to evaluate entity and system performance.

The Province has a central system for elective surgery wait time information called PAR-NS. Wait time information is available publicly on the Department of Health and Wellness website. We found this website user-friendly and noted the type and nature of available information compared favourably with other jurisdictions in Canada.

We found the registry's data was reasonably accurate for reporting wait times; however surgeons do not consistently use the system's surgery priority system. This means the resulting waitlist is not correctly prioritized. Some surgeons' offices do not submit patient booking information in a timely manner which delays patient placement on the waitlist. Nearly 25% of submissions are at least one week late.

Further, we found the allocation of operating room time does not always consider patient priority and waitlists. It tends to reflect the historical assignment of time to a surgical service or individual surgeon. Active oversight of operating rooms at the district health authorities and IWK Health Centre has focused on managing day-to-day operations. We found that available operating room time was not optimally used, which means lost opportunities to do more surgery.

We found there have been efforts to manage wait times in the districts and at the IWK Health Centre, often with support of the Province, but a systematic and common provincial approach is still in the



planning stages. The Department needs to oversee these processes and increase the pace of change.

We expect that following amalgamation, our recommendations specific to district health authorities will be applicable to the newly formed district health authority and the IWK Health Centre.

Recommendations

Recommendation 4.1

The Department of Health and Wellness should report surgery wait times from the date of decision to operate to the date of surgery. Also, the Department should ensure booking information is submitted within the PAR-NS policy timeframes.

Recommendation 4.2

The Department of Health and Wellness should ensure the surgery waitlist complies with its policy, including ensuring the existing waitlist consists of only patients ready for surgery.

Recommendation 4.3

The Department of Health and Wellness, Annapolis Valley Health, Capital Health, and the IWK Health Centre should set specific, short-term surgery wait time performance targets and regularly report against those targets publicly.

Recommendation 4.4

Annapolis Valley Health, Capital Health and the IWK Health Centre should develop and document regular internal elective surgery wait time reporting processes. These processes should be updated periodically based on a review of user information needs. Management should use this reporting to determine what action is needed to help address wait time issues.

Recommendation 4.5

Annapolis Valley Health should update and approve its operating room scheduling policy. The policy should address optimal usage expectations, and formal standards to allocate operating room time and include guidance for revisiting operating room allocation on a regular basis with consideration of wait time.



Recommendation 4.6

Capital Health should update its operating room policies over utilization to better support efficient operating room use. The policies should address revisiting operating room time allocation with more consideration of wait times. Reporting of utilization information should be validated to ensure the output is accurate.

Recommendation 4.7

The IWK Health Centre should update its operating room policies, including having clear guidance on planned physician absences, surgery cancellations, and optimal usage expectations. The Health Centre should measure and monitor its operating room usage regularly.

Recommendation 4.8

Annapolis Valley Health, Capital Health and the IWK Health Centre should establish standard management reporting that includes meaningful operating room utilization measures.

Recommendation 4.9

The Department of Health and Wellness should develop a clinical services planning framework for surgery that determines which services will be offered in each location.

