

# Chapter 3: Business Continuity Management



## Why we did this audit:

- Nova Scotians rely on critical government programs and services
- Plans needed so critical services can continue
- Effective management helps government respond to and recover from business interruptions
- Previous audit by this Office identified a need to look at this area

## Overall conclusions:

- Not clear who is responsible for government-wide management
- No oversight to ensure departmental continuity plans will work together
- Government cannot be sure they could maintain critical services
- Plans needed in emergency situations generally well-documented
- Departments and/or entities agreed with all nine recommendations

## What we found in our audit:

### Government-wide business continuity management program

- Department of Internal Services has created templates and guidance for provincial entities
- Government-wide programs and services have not been prioritized to know what is most important
- Business continuity program has not been finalized and leaves risk
- Current government-wide practices do not promote economy and efficiency

### Department and entity business continuity management programs

- Department of Finance and Treasury Board has awareness training for staff
- Some correctional facilities have documents needed to manage disruptions
- Entities can't be sure they could maintain critical services
- Northeast Correctional Facility didn't have a continuity management program before opening
- Housing offices' programs do not include communications with clients
- School boards have weaknesses in their business continuity management programs
- Schools are not conducting all emergency drills required by policy



## 3 Government-wide: Business Continuity Management

### Background

- 3.1 The purpose of business continuity management is to identify risks, threats and vulnerabilities that could impact an organization's continued operations. An effective business continuity management program makes the organization more resilient to potential threats when the program is combined with an appropriate response to business interruptions. As noted on the Nova Scotia Emergency Management Office's website: "*Business Continuity Management is about protecting your organization from the impacts of natural and human induced events, and the development of plans to resume urgently required services if interrupted for any reason. A Business Continuity Management program identifies impacts to an organization, mitigation strategies, and the action plans, resources, key personnel, information, equipment and infrastructure to continue or resume operations.*"
- 3.2 A business continuity management program includes a collection of plans and documents that provides an organization with the information needed to recover from business disruptions that vary in length and severity. These disruptions range from emergencies (for example: a fire) to prolonged absence from a work site (for example: flood damage requiring rebuild of office space). Best practices indicate the need for the following components:

Purpose	Component	Details
To ensure staff safety	Emergency Response Plan	Deals with the immediate aftermath of an incident. When an incident occurs, every step should be taken to ensure the safety of staff.
To continue providing critical programs and services	Incident Management Plan	Outlines how the organization will assess the incident, manage its impact, define resource requirements, and make necessary movements of staff and critical processes.
	Business Continuity Plan	Based on a risk assessment and business impact analysis in order for management to understand what services are considered most critical to the goals of the organization; what resources are required to provide those services; and how long those services can be unavailable before negatively impacting those goals.
	Recovery Support Plan	Aimed at the teams who have very specific roles to play during an incident. This would include contact lists available to management.
	Communications and Media Plan	Outlines how information related to the incident will be distributed and inquiries responded to (both internal and external).
	Business Resumption Plan	Focuses on how to restore the organization to the level that existed prior to the incident. This can include returning to the original site or a new location.
To ensure continued stability	Plan Maintenance and Testing	Should be maintained on a periodic basis to match the current business environment. Management should test continuity plans to ensure plan reliability and increase awareness.



- 3.3 In 2004, our Office conducted an audit of the Emergency Measures Organization (now the Emergency Management Office) and reported there was no government organization assigned to ensure the existence and effectiveness of departmental business continuity management plans. At that time we recommended the responsibility for business continuity should be clearly and formally assigned.
- 3.4 A project supported by the Emergency Management Office was undertaken to address our recommendation in 2005. During our November 2011 audit on Disaster Preparedness, we observed that the 2005 continuity project failed to properly prioritize government computer systems to ensure the most critical systems could be maintained or restored in the event of a disruption. We made recommendations to the former Chief Information Office (now Information, Communications and Technology Services, a division of the Department of Internal Services) to work with government departments to complete the prioritization of their computer systems for use in the province's Information Technology Disaster Recovery Plan. We evaluated this recommendation as incomplete when we reported on our follow-up of 2011 recommendations in June 2015.
- 3.5 Nova Scotians rely on critical programs and services (corrections, health services, social and housing services, and emergency management services) delivered by the Province of Nova Scotia. Business continuity management helps government continue delivering these critical programs and services in the event of disruption in the operations of the government department or entity delivering the program.

### Audit Objectives and Scope

- 3.6 In summer 2015, we completed a government-wide performance audit of business continuity management. We interviewed staff and examined documentation and processes at the Department of Internal Services and the Emergency Management Office based on their respective roles in the government-wide business continuity program. We also examined the individual continuity programs of the following government departments or agencies, and certain related entities.
- Department of Education and Early Childhood Development
  - Conseil scolaire acadien provincial
  - Halifax Regional School Board
  - Department of Finance and Treasury Board
  - Department of Justice



- Central Nova Scotia Correctional Facility
  - Northeast Nova Scotia Correctional Facility
  - Nova Scotia Youth Facility
  - Southwest Nova Scotia Correctional Facility
  - Housing Services – Central Region (Halifax)
  - Housing Services – Eastern Region (Sydney)
  - Western Regional Housing Authority (New Minas)
  - Emergency Management Office
- 3.7 Each of the above was selected for testing because of the significant services it delivers. While we recognize the significant services provided by the Nova Scotia Health Authority, we decided to wait until this new organization is fully established before examining its business continuity management program.
- 3.8 The purpose of the audit was to determine whether government as a whole, and individual departments and related entities, have developed a business continuity program that includes coordinated plans to respond, recover and resume from incidents so that critical services can continue to be delivered.
- 3.9 The audit was conducted in accordance with sections 18 and 21 of the Auditor General Act and auditing standards of the Chartered Professional Accountants of Canada.
- 3.10 The objectives of the audit were to determine:
- if there is an effective governance framework in place to support government-wide business continuity management; and,
  - to determine if government has plans in place to reduce the impact of an incident to ensure the safety of staff, and the subsequent continuity of critical services.
- 3.11 The criteria were developed internally by this Office and are based on various sources including the European Union Agency for Network and Information Security, ISO22301, COBIT, SANS, the Province of Nova Scotia Emergency Management Office's *Business Continuity Management Guide 2011 v1.0*, and through our assessment of various acts and regulations.
- 3.12 The audit approach included interviewing management and those staff responsible for the development and management of business continuity, and reviewing applicable acts and regulations, policies, continuity programs,



emergency response plans, incident response plans, continuity plans, communication plans, recovery team plans and restoration plans.

- 3.13 We reviewed documents that were the most current at the start of our audit in spring 2015. During our period of fieldwork, the Clerk of and Secretary to Executive Council requested that all deputy ministers update their business continuity plans by the end of August 2015. We did not assess these updates.

## Significant Audit Observations

### Government-wide Business Continuity Management Program

#### Conclusions and summary of observations

There is no clear oversight of the province's business continuity management program which is needed to ensure overall prioritization of government programs and services in the most efficient manner during a business disruption. No individual, department, or agency has formally been assigned responsibility for a continuity program. The Department of Internal Services informally led a process to update business continuity processes and staff developed business continuity management planning templates that reflect best practices for use by departments and entities. Further work on the templates is required. Government departments and entities are not required to use the templates and some are independently spending time and resources to develop continuity programs and plans.

- 3.14 *Background* – The size and complexity of the provincial government requires continuity programs and plans at various levels: overall departmental plans, and, where applicable, offices, divisions and regional locations. A government-wide continuity program should ensure departmental and agency continuity programs are effectively designed, documented and tested to support the overall goals of the province.
- 3.15 The Civil Emergency Planning Regulations under the Nova Scotia Emergency Measures Act assigns deputy ministers the responsibility of ensuring that necessary planning is carried out to enable their department to continue its proper functions under emergency conditions. The regulations do not specify the need for government entities to have business continuity plans to address disruption to programs and services in other-than-emergency events. We recommended in a 2004 audit that responsibility for business continuity be clearly and formally assigned in legislation. The recommendation has not yet been addressed. Also, the scope of the regulations and act only extend to departments and agencies and does not specifically include boards, commissions or Crown corporations.



- 3.16 In response to recommendations from our 2011 audit on disaster recovery plans, the Chief Information Office started building templates to gather information needed from entities in order to prioritize government information technology systems for its disaster recovery plan. This initiative expanded into continuing the work started in 2005 by the Emergency Management Office in establishing a government-wide business continuity program. When the Department of Internal Services was established, it assumed the responsibilities of the Chief Information Office, and has informally continued to provide business continuity planning support through an updated business continuity program.
- 3.17 We understand that deputy ministers have been given responsibility for business continuity programs for their respective departments. There is no legislation or regulation that assigns this responsibility, but a June 2015 directive from the Clerk of and Secretary to Executive Council instructed deputy ministers to update their business continuity management programs and ensure they are tested annually.
- 3.18 Prior to the updated program from the Department of Internal Services, the Emergency Management Office supported a provincial continuity program. Resources from several departments were seconded in 2005 to develop a training package to assist government departments and entities in the development of their continuity programs. We understand most developed plans to varying levels of completeness. Once the secondments ended, the initiative was considered complete and no further resources were assigned to business continuity management support. We were told by current Emergency Management Office management that the office was no longer supporting government departments or entities in business continuity management. Despite this, the Emergency Management Office website continued to include various templates and continuity planning supporting documents should entities need them. The documents had not been revised by the Emergency Management Office, nor removed from their website, when the Department of Internal Services began providing updated documents.

► Government-wide continuity priorities have not been established

- 3.19 We believe there is need for an individual, department, or agency to be assigned responsibility for business continuity on a province-wide basis. This would ensure the following:
- Government programs and services are prioritized on a province-wide basis as a result of an enterprise risk assessment. In the process of updating their departmental plans, we would expect deputy ministers to have completed a departmental risk assessment and established the prioritization of programs and services. However, this does not establish priority in the event of a government-wide disruption. For



example, we would presume that health and safety matters would take precedence over all others, but priorities are less clear when deciding between students returning to the classroom or ensuring salaries are paid.

- Resources to resume operations are used most efficiently and reflect the province-wide priorities. In individual departmental continuity plans, alternate locations may be identified to continue operations in the event of disruption. However, several departments may have regional offices in the same location and have identified the same alternate location. A province-wide plan would ensure required space is available for prioritized programs and services. We include additional comments on economy and efficiency later in this chapter.
- Defined roles for business continuity management programs are established which would identify who is in charge and who has the authority to make decisions.

► Formal responsibility for a government-wide business continuity program is not assigned

3.20 Even though it has taken the lead on business continuity planning, the Department of Internal Services has not been given the mandate to develop a program for the province, nor does it have the authority to ensure government departments and agencies have implemented effective continuity programs that include the preparation and testing of continuity planning components.

### **Recommendation 3.1**

The government should assign responsibility for government-wide business continuity management to a single entity. This entity should prioritize government programs and services and efficiently allocate resources.

**Executive Council Office Response:** The Executive Council Office will request government to assign responsibility for government-wide business continuity management to a single entity.

► Continuity program for department and entity use has not been finalized

3.21 As noted earlier, the Department of Internal Services is informally supporting an updated program for departments. We examined the templates and other features of the program and identified several positive features.

- Templates are available to support departments and entities developing or updating their continuity programs and plans and include best practices.



- Training for department and entity business continuity coordinators is provided.
- A centralized crisis management team has been established to support incident management processes at the departments.

3.22 We also identified some areas for improvement. The templates were not designed to be scaled for different-sized departments nor did they fully address all the procedures that would be required during the recovery phase of a disruption.

3.23 It is important to note these templates are not required to be used. We believe the most efficient approach is that departments use the same templates, especially to promote a government-wide business continuity plan. Regardless of whether responsibility for government-wide continuity planning is assigned to the Department of Internal Services, the department should revise and complete the program it has currently developed.

### **Recommendation 3.2**

The Department of Internal Services should complete its business continuity management program templates for use by departments and entities of the provincial government.

**Department of Internal Services Response:** Internal Services agrees with the recommendation and is prepared to finalize its BCP templates and share them within government for use by other departments. Implementation of the program would be each department's own responsibility, supported by the individual, department, or agency assigned overall responsibility for business continuity on a province-wide basis.

### ***Economy and Efficiency***

3.24 *Background* – The purpose of business continuity is to ensure government departments and entities are able to maintain critical services in the event of a disruption. This requires the development of continuity programs, strategies, and documents, and obtaining the resources required to support the program. It can take an organization considerable time and resources to develop a mature business continuity program.

► Existing business continuity environment does not promote economy and efficiency

3.25 The existing business continuity environment within the province does not promote economy or efficiency. Each government department and entity is treated as a separate organization requiring each to manage its own independent continuity program. Our testing of available documentation





showed that some departments and entities had created their own continuity program or customized the original forms distributed by the Emergency Management Office even though the documents have not been maintained to reflect best practices. In addition, the Department of Internal Services has invested resources into research and development of templates and forms for departments and entities to utilize.

- 3.26 We would not expect departments to redo their continuity planning documents to use the newer templates. However, those departments that are making significant updates to their plan, or creating their first plan, should use the templates and forms developed by the Department of Internal Services. We found the documents to be acceptable and ready for use and note that they were being used by some departments, with modifications, in summer 2015.
- 3.27 We observed a common continuity strategy for departments and entities is to work from home or move to another government building. This strategy may not be viable as staff members may not have access to laptops or other information technology that would be necessary to work outside of their permanent office.
- 3.28 To support moving to another government building, some departments and entities note that they will rely on another department or entity to find them space when looking for available alternate work arrangements for their staff. However, this independent approach fails to prioritize and assign government resources to the most critical programs and services. This deficiency would be addressed by assigning government-wide responsibility to a single entity.

## Department and Entity Business Continuity Management Programs

### Conclusions and summary of observations

The business continuity management programs we tested were in various stages of development. The Department of Education and Early Childhood Development had not implemented a business continuity management program to ensure it could maintain operations in the event of a disruption. The Department of Finance and Treasury Board had most of the requirements of a business continuity management program. The Department of Justice did not have a coordinated departmental business continuity program and its Legal Services Division could not readily provide complete continuity documents. The programs at three of the four correctional facilities examined had documented plans to address incidents that could impact the safety of offenders and ensure they were not unintentionally released into the community, but improvements are needed to the documentation. The fourth facility did not have a program in place for its first six months of operations. We also found Housing offices' continuity programs addressed several key areas but need to be more complete, particularly with respect to client communications;



and the two school boards we tested did not have documented business continuity plans to support the operations of the board or individual schools in the event of an unplanned prolonged disruption. In addition, some schools tested within these boards were not conducting emergency drills as required to ensure student safety. Finally, the Emergency Management Office had a continuity program, but the documents included in the plan were not current.

3.29 *Background* – Business continuity management focuses on attempting to ensure the safety of staff and maintaining critical programs and services as a result of any type of disruption. These disruptions could be caused by and are not limited to: storms, fire, pandemic, information technology failures, employee strikes, and floods. To reduce the impact of these disruptions, an organization will develop a continuity program that trains staff, identifies risks, identifies critical services, and develops and tests plans designed to reduce those risks. Senior management and staff within departments or entities are best qualified to prioritize their activities in the event of disruption. In addition to establishing operational priorities, departments’ business continuity programs should include key elements such as incident management plans and communication plans.

► Departments and entities cannot be sure they would be able to maintain critical services

3.30 We assessed the business continuity programs of a sample of government departments and entities and found them to be in various stages of development. We concluded that none could be sure they would be able to maintain critical services in the event of a disruption.

Business Continuity Management Program for Departments	Education and Early Childhood Development	Finance and Treasury Board	Justice	Justice Legal Services Division
Governance structure in place to provide oversight over departmental program	X	✓	X	
An emergency response plan is documented	✓	✓	X	X
A business impact analysis has been completed	✓	✓*	X out of date	✓
A risk assessment has been completed	X	X	X out of date	X
Business resumption services for after the incident have been addressed	✓	X	X	X
Recovery support plans are in place and include alternate location strategies for staff	X	✓	X	X
Communication protocols have been addressed	✓	✓	✓ internal	✓ internal
Business continuity management program documents have been tested	X	✓	X	
Program documents have been updated	X current version is draft; no previous version	✓	✓ 2013	✓ 2010
✓ Grey Shading = positive result X Red Shading = negative result				
* Needs to be updated for recent organizational changes				



- 3.31 *Department of Education and Early Childhood Development* – Governance over the program lacked important aspects such as defined processes to ensure departmental-level program documents are updated and reviewed periodically, and staff members are provided necessary training. Also, documents available for our review were still being developed. The continuity program itself was found to have weaknesses: lack of a risk assessment, lack of identification of an alternate work location, and no testing of the planned continuity approach.
- 3.32 The department does not require the eight school boards to have continuity plans. Our observations on testing performed at two school boards are noted later in this chapter.
- 3.33 Departmental staff informed us that they expected to meet the end of August 2015 deadline set by the Clerk of and Secretary to the Executive Council, to have their program documents completed. As noted previously, we have not assessed the updated documents.
- 3.34 *Department of Finance and Treasury Board* – The department has a governance framework for business continuity management. Critical services needing protection include the cash management and debt repayment areas of business. These areas regularly move millions of dollars in and out of the province’s bank accounts.
- 3.35 Departmental management provides oversight of the continuity program through the following positive initiatives:
- published policies;
  - a week-long program to raise awareness of emergency response procedures and business continuity;
  - an annual strategy to support the program;
  - documented continuity plans that have been tested; and
  - training.
- 3.36 The department could improve its program by finalizing its documents to reflect departmental restructuring, conducting a risk assessment, and documenting plans to restore services after a disruption. Management informed us at the end of August 2015 that this had been done as part of the update required by the Clerk of and Secretary to the Executive Council. We have not assessed the updated documents.
- 3.37 *Department of Justice* – The department did not have a coordinated departmental business continuity management program. Divisions and related entities (correctional facilities) are to prepare individual continuity



plans but there has not been an oversight function at the department level. We examined the continuity programs and documents of the province's correctional facilities and the Legal Services Division of the department. Our comments on correctional facilities follow.

- 3.38 The Legal Services Division is responsible for legal services to the Government of Nova Scotia. Those services include representation and legal advice to child and adult protection agencies, as well as to other government departments and entities. The division consists of more than 70 lawyers and 40 legal and administrative support staff. When requested for audit purposes, Legal Services Division staff could not locate specific documents of their business continuity management program, including those which prioritized services, a risk assessment, and the actions to take in the event of a disruption. In addition, continuity plans had not been tested to ensure the division could effectively maintain services in the event of a disruption.
- 3.39 In summary, in addition to recommendation 3.1 above, formal responsibility needs to be assigned to assess the reasonableness of departmental plans. They should be assessed to ensure they provide adequate guidance and that resources, including alternate locations and other logistics, are coordinated.

### **Recommendation 3.3**

The government should assign responsibility for evaluating departmental business continuity management program documents to a single entity.

**Executive Council Office Response:** Senior management and staff within departments are best positioned to evaluate the effectiveness of their business continuity management programs, with the support and guidance of a lead central entity. The Executive Council Office will request government to assign responsibility to a single entity for coordinating and working with departments to evaluate their departmental business continuity management program documents.

- 3.40 *Correctional facilities*—The Correctional Services Division of the Department of Justice is responsible for the administration and operation of community and custody-based programs and services for adult offenders and young persons. Correctional Facilities is one of two key business areas within the division. There are four provincial adult correctional facilities and one provincial youth facility. A separate youth facility is annexed to the Cape Breton Correctional Facility but is used to hold youth for short periods of time (72 hours).

► Correctional facilities use standard operating procedures to address continuity

- 3.41 The Correctional Services Division of the Department of Justice issued policies and procedures regarding contingency plans. These are used by



the correctional facilities to assist in documenting their standard operating procedures. The department, working together with each facility, tested the facility’s plan to determine its ability to address incidents that could impact its operations. They documented the results using a common format as this would facilitate comparing the results at each facility. The same scenario was used at three facilities; only some of the details and interjects were changed.

► Correctional facility lacked a continuity program prior to opening

3.42 We tested the business continuity management programs of three adult correctional facilities, and the one youth facility.

- Central Nova Scotia Correctional Facility (bed capacity of 370)
- Northeast Nova Scotia Correctional Facility (bed capacity of 196)
- Nova Scotia Youth Facility (bed capacity of 120)
- Southwest Nova Scotia Correctional Facility (bed capacity of 38)

3.43 Given the risk associated with correctional facilities, we expected each facility to have a business continuity management program to ensure the safety of staff, offenders and the general public. As can be seen in the table below, this risk was significantly mitigated at three of the four facilities. We have comments below with respect to the fourth and newest facility, the Northeast Nova Scotia Correctional Facility.

Business Continuity Management Program for Correctional Facilities	Central Nova Scotia Correctional Facility	Northeast Nova Scotia Correctional Facility	Nova Scotia Youth Facility	Southwest Nova Scotia Correctional Facility
Incident management and emergency plan documents ready	✓	X	✓	✓
Plan to relocate in place	✓	X	✓	✓
Documented business impact analysis carried out	X	X	✓	✓
Completed risk assessment done	X	X	✓	X
Plans tested	✓	X	✓	✓
✓ Grey Shading = positive result X Red Shading = negative result				

3.44 Specific comments with respect to each facility are as follows.

3.45 *Central Nova Scotia Correctional Facility* – The facility had a documented plan to assist in the management of an incident at the facility from initiation to resolution. The role and responsibilities of the crisis commander have been defined, locations for the command center have been identified, and



other team members necessary during an incident have been listed. The facility had documentation and agreements to support the ability to move offenders to safe and secure locations in the event the facility was no longer habitable.

- 3.46 At the time we requested the documentation, a business impact assessment had not been completed and the risk assessment document was incomplete.
- 3.47 The facility was tested in both 2012 and in 2015 by the Department of Justice. We were told that the recommendations from the testing were being addressed by the facility.
- 3.48 *Northeast Nova Scotia Correctional Facility* – This facility opened in February 2015 and staff were in the process of documenting their business continuity management program documents. We believe a formal business continuity management program should have been in place when the facility opened. At the time of our fieldwork in summer 2015, the facility had been operating without formal plans for a period of approximately six months. We were informed by management that until the plans were completed, in the event of a disruption, offenders would be transferred to other correctional facilities located throughout the province.
- 3.49 *Nova Scotia Youth Facility* – The facility had documentation to support an incident management process to address events that could impact the facility. Staff had been trained but not all documentation had been finalized. There was no schedule to review and update the plan. A checklist provides the Officer-in-Charge and staff with the steps and contact information they need to manage an incident that results in an evacuation. The facility had documentation and agreements to support the ability to move offenders to safe and secure locations in the event the facility was no longer habitable.
- 3.50 We noted that a business impact analysis and a program service prioritization had been performed. Roles and responsibilities for supporting the continuity process had been defined. These include the responsibilities of the crisis manager, staff (to collect information), and maintenance staff.
- 3.51 In 2013 the Department of Justice tested the facility's process by simulating an emergency situation. Testing such as this allows for discussion and analysis to assess whether the process would function as intended in an actual emergency situation.
- 3.52 *Southwest Nova Scotia Correctional Facility* – The facility had documentation to support the ability to move offenders to safe and secure locations in the event the facility was no longer habitable. Signed contracts were in place between the facility and transport companies to ensure offenders could be transferred to specific alternate facilities in the event of a disruption. Contracts were



also in place for continued water supply, and for staff accommodations. In addition, we noted the facility had reasonable communication and recovery support plans. Components of the business continuity management program had been tested in 2012 and 2013. One improvement needed is to complete the risk assessment and ensure the information is up to date. It had not been revised since May 2008.

**Recommendation 3.4**

The Correctional Services Division of the Department of Justice should ensure correctional facilities have current, completed business continuity management program documents.

**Department of Justice Response:** Department of Justice agrees with Recommendation 4 that the Correctional Services Division should ensure correctional facilities have current completed business continuity plans (BCP). Subsequent to the opening of the new Northeast Nova Scotia Correctional Facility and after the period covered by this audit, our BCP was submitted to the Office of the Auditor General. All other noted deficiencies identified in the audit directed towards Correctional Services have been corrected and current completed plans are in place at all facilities across the Province.

Department of Justice also acknowledges that we need to have a coordinated departmental business continuity management program and that the Legal Services Division has to complete its business continuity plan. Department of Justice is actively working on developing a coordinated departmental plan as well as one for Legal Services. We expect current completed plans to be in place by March 31, 2016.

3.53 *Housing offices* – Housing Nova Scotia is a provincial government corporation that supports housing programs and rental housing. The housing programs are facilitated by Housing Services through offices around the province. There are also five regional housing authorities that provide property management duties for 12,000 rental properties owned by the province and 800 rental supplement units. Regional housing offices support one or both of these programs. The lack of continuous services in the event of a disruption could cause additional stress in the lives of vulnerable individuals using these services.

3.54 We examined the business continuity management programs of two Housing Services and one Housing Authority offices:

- Housing Services – Central Region (Halifax)
- Housing Services – Eastern Region (Sydney)
- Western Regional Housing Authority (New Minas)



Housing offices' continuity programs address emergencies, but lack other components

3.55 All offices had emergency plans which included procedures for a number of scenarios we would expect to see in a plan. All offices also had components of a business continuity management program. The following table shows the results of the components we tested.

Business Continuity Management Program for Housing Offices	Housing Services – Central Region (Halifax)	Housing Services – Eastern Region (Sydney)	Western Regional Housing Authority (New Minas)
Business impact analysis	✓	✓	X
Risk assessment completed	X	X	X
Business resumption services addressed	X	X	X
Recovery support plans in place including alternate location strategies	✓	✓	✓
Internal communication protocols addressed	✓	✓	✓
External communication protocols addressed	X	X	X
Business continuity management program tested	X	X	X
Program documents kept updated	✓	✓	✓
✓ Grey Shading = positive result X Red Shading = negative result			

3.56 Only the Housing Services offices had completed business impact analyses. None of the three locations had risk assessments and none fully addressed business resumption. However, each office noted it can continue its operations by accessing resources at other offices. All offices had recovery support plans and those who have a role in business continuity management (office business continuity plan contact and the regional coordinators) have their role defined in the plan.

3.57 Offices' communications plans focused on internal communications; external communication protocols need to be developed and communicated, particularly communications to clients using housing services.

3.58 None of the business continuity management program documents we examined had been tested to ensure the plans would work as expected, but there are processes in place and evidence to indicate that the entities update their program documents regularly.



**Recommendation 3.5**

Housing Nova Scotia should ensure housing offices have complete business continuity management programs.

**Housing Nova Scotia Response:** Housing Nova Scotia accepts this recommendation. In 2015-16, Housing Nova Scotia will address the OAG's recommendation to ensure all housing offices have complete business continuity management programs.

3.59 *School boards* – Safety of students is an area of importance for the education system. Schools are required to conduct a minimum number of fire, lockdown, and relocation drills during the school year to ensure both staff and students can effectively execute the procedures. Once student and staff safety has been assured, school boards must then ensure educational needs can be met in the event of prolonged disruption to schools. Each school board is responsible for its own continuity planning and for supporting the continuity of delivering the education program within its schools. Guidance is provided by the Department of Education and Early Childhood Development. Our audit examined the continuity programs of the Conseil scolaire acadien provincial and the Halifax Regional School Board.

► School boards lack some necessary continuity program documents

3.60 *Conseil scolaire acadien provincial* – The business continuity documents provided to us by the Conseil scolaire acadien provincial focused mainly on the continuation of board activities and the communication guidelines for all members of the board and its schools. There was no discussion on resumption of school operations should the disruption be prolonged and/or the school buildings could not be used.

3.61 *Halifax Regional School Board* – The Halifax Regional School Board did not have an assembled and complete business continuity management program document. There were elements of emergency management, continuity, communications, and resumption, but they were documented in various plans, protocols, and guidelines. There were no plans to address disruptions in the event staff could no longer maintain operations at head office or schools as a result of a temporary or permanent disruption. The board did have a documented contingency plan for strike action that covers both board-level and school-based support staff. The Finance Division had a continuity plan specific to its role in operations. The continuation of operations at the board's head office in anticipation of strike action had been tested during the time leading up to a potential strike; but, the Finance Division continuation plan had not been tested. There were no established procedures that covered other potential scenarios; the board assesses each event and location as issues arise. This can cause delays and further prolong disruption.



**Recommendation 3.6**

Conseil scolaire acadien provincial and the Halifax Regional School Board should develop comprehensive business continuity management programs. These programs, and documented plans within them, should be evaluated and tested on a periodic basis.

**Conseil scolaire acadien provincial Response:** Conseil scolaire acadien provincial agrees with the recommendation and will undertake the development, implementation and monitoring of a comprehensive continuity management plan.

**Halifax Regional School Board Response:** Management agrees to implement this recommendation. The development of a comprehensive business continuity management program will begin during the 2015-16 school year.

► Schools are not conducting all emergency drills as required by policy

3.62 The province's Fire Safety Act requires all schools and school boards to comply with the requirements of the National Fire Code of Canada which states "*in schools attended by children, total evacuation drills shall be held at least 3 times in each of the fall and spring school terms.*" Halifax Regional School Board's fire safety policy further requires that "*the first fire drill shall be held within the first week of the fall term, followed by two more drills evenly distributed between this time and the end of the fall term. The same sequence shall occur following the start of the winter (spring) term.*" The Department of Education and Early Childhood Development also requires that schools practice one relocation drill and two lockdown drills each school year. We noted that the fire safety policy does not contain definitions for "*first week*", "*fall term*", or "*spring term*" so for testing purposes we defined the first week to be within the first 10 calendar days of the school start, the fall term to be September to January and the spring term to be February to June.

3.63 Schools are required to record their drills in logs. We examined the drill logs for a random sample of 10 schools in the Halifax Regional School Board and 5 in the Conseil scolaire acadien provincial. The following table shows the results of our examination.



Examination of Drill Logs	Conseil scolaire acadien provincial (5 schools tested)	Halifax Regional School Board (10 schools tested)
Number of schools that did not have the required six fire drills in the 2014-15 school year	0	0
Number of schools that did not conduct fire drills in the first week of the 2014-15 school year	2	4
Number of schools that had all three first term fire drills in the first eight weeks of the school year	2	7
Number of schools that did not have the required two lockdown drills	1 did not have any	2 had one drill each
Number of schools that did not have the required relocation drill	4	0
✓ Grey shading = positive result X Red shading = negative result		

3.64 Currently, the policies don't address possible exemptions or exceptional circumstances that would excuse a school from adhering to the policy as written (e.g., weather issues, safety concerns). Therefore, we tested against the fire code criteria as required by legislation and found the process of ensuring schools were conducting their drills was not sufficient. Our testing found there were schools that had not completed all the required lockdown and relocation drills. Also, some schools completed many fire drills near the end of the school year; they had not tested throughout the fall and spring terms as required. The concentration of fire drills late in the school year does not benefit the safety of students. There is also a requirement for schools to document the success or shortcomings of each drill. This was not done consistently by schools. This assessment is a valuable tool that enables school management to know where to focus efforts when teaching students to stay safe.

### Recommendation 3.7

Conseil scolaire acadien provincial and the Halifax Regional School Board should ensure that schools are conducting all required emergency drills.

**Conseil scolaire acadien provincial Response:** Conseil scolaire acadien provincial agrees with the recommendation. An improved tool for emergency management is approaching completion and will be shared with principals in the fall of 2015. The document has an accompanying logbook with a section for comments on the results of each practice and any recommended improvements and a section on the roles and responsibilities of each stakeholder in the school systems in order to clarify the accountability framework especially around documentation and reporting.

**Halifax Regional School Board Response:** Management agrees to implement this recommendation. Systems to support the monitoring and reporting of emergency



drills will be strengthened during the 2015-2016 school year and will include processes to ensure all schools are in compliance with legislation and board policy.

Management will also develop strategies to support safe and effective emergency drills, in consideration of severe weather as we experienced during the winter of 2015.

**Recommendation 3.8**

The Department of Education and Early Childhood Development should ensure that school boards are ensuring schools conduct all required emergency drills.

**Department of Education and Early Childhood Development Response:** The department agrees that all required emergency drills must be conducted in schools.

The Education Act places responsibility for keeping schools safe with school boards, and boards deal directly with the Fire Marshall's Office on fire safety matters.

However, Nova Scotians expect every reasonable step be taken to keep our schools safe. The department will continue to work with school boards in their efforts to meet national fire code standards.

The Auditor General's Office notified the department on September 10 that some schools are not completing all drills, including a required drill in the first week of school. This information was shared with all superintendents that same day. Superintendents notified their staff to direct schools to complete and record a fire drill within the first week.

Superintendents have also been directed to report on actions they are taking to consistently meet national standards. The department is now collecting and reviewing this information, and will share it with the Office of the Fire Marshall for any required follow up.

3.65 With respect to the actions noted in the department's response, we have not assessed if schools held fire drills in the first week of the 2015-16 school year or if results were recorded.

3.66 *Emergency Management Office* – The Emergency Management Office, a division of the Department of Municipal Affairs, aims to ensure the safety and security of Nova Scotians, their property, and the environment by providing a prompt and coordinated response to an emergency. The office is also responsible for the operation of the Emergency 911 system and the administration of disaster financial assistance programs. The office therefore plays a critical role in the province's response to a disaster and should have a business continuity management program to ensure its own operations can continue.



3.67 Senior management and staff of the Emergency Management Office told us they were in the process of updating their business continuity management program. As a result, we assessed the existing continuity documents from 2012. We found that roles and responsibilities were identified to manage continuity within the office, but the documentation was missing pieces of necessary information. It lacked:

- a work-from-home or alternate location strategy that considered necessary technology and equipment;
- predefined alternate locations; and
- documentation of the results of any testing and awareness training.

3.68 We were informed by Emergency Management Office management that they were able to successfully continue operations during the storms of the 2015 winter season. However, it is not their practice to document the results of the activations or to prepare lessons-learned documents. Therefore, we were unable to verify their reported results.

**Recommendation 3.9**

The Emergency Management Office should update its business continuity program and documents to reflect best practices.

**Emergency Management Office Response:** EMO agrees with this recommendation. EMO began updating the business continuity plan in January 2015. The business continuity plan will be updated, exercised, and tested based on the Nova Scotia government best practice.



### Department of Education and Early Childhood Development: Additional Comments

With regard to the conclusions and summary of observations, the Department of Education and Early Childhood Development welcomes the Auditor General's focus on business continuity planning. The department has had business continuity plans in the past, and now has a 2015 business continuity plan in place. Testing of the plan will be completed before the end of the year.

The plan includes a business impact analysis, risk assessment, critical business functions, identification of an alternate work location, and an integrated response strategy.

The department appreciates that the Auditor General did not have opportunity to review the plan prior to completing this audit. The information has since been filed with his office.

### Housing Nova Scotia: Additional Comments

Housing Nova Scotia appreciates the time taken by the OAG to review our business continuity management plans and processes. The safety of our staff and continuity of critical business functions under disruptive conditions are essential operating criteria for us. Business continuity plans are in place and are updated regularly; however, we will expand our processes to address the areas identified in the report.