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Office of the Auditor General

Nova Scotia

AUDITOR GENERAL--Fall 2016 Report Released

The Department of Education and Early Childhood Development does not have an established long-term capital planning process in place, Auditor General Michael Pickup said in his fall report released today, Nov. 30.

"An overall casual approach to decision making and the lack of defined processes from the department has led to inconsistent results," said Mr. Pickup.

A new \$21 million school has been approved for Eastern Passage despite no analysis supporting it. Evidence provided during the audit showed that the department had concerns about the impact a new high school will have on existing schools in the area.

"I am very disappointed that the department has indicated it will not review this decision which has such a negative impact on schools in the surrounding areas," said Mr. Pickup.

Four schools were approved by Executive Council despite not making the grade based on committee assessments. All four projects were requested by school boards, but were ranked behind other unapproved projects at the bureaucratic committee level. While cabinet makes the final decision, Nova Scotians should expect that limited resources are targeted to the area of greatest need.

"The province has to make a number of decisions regarding P3 schools over the next couple of years," said Mr. Pickup. "Decisions needed to start being made as of June 2016. The department had not managed the process well at the time of our audit work, as analysis was not timely or sufficient."

The Department of Education and Early Childhood Development needs to do more to monitor licensed agencies that are responsible for family home day cares which provide care to 1,200 children.

"Department inspections of licensed child care centres, responsible for 16,000 children, are identifying violations, and we found most of these are being corrected in a timely manner."

"The department needs to clarify policies around the correction of high-priority violations such as missing or expired child abuse and criminal record checks for child care staff."

The department has indicated the accessibility and affordability of child care is an area of focus, but has not clearly defined what this means or established performance measures to assess this. Also, programs to promote accessibility and affordability have not met their objectives. The department recently released a child care review which included five recommendations to improve the accessibility and affordability of child care.

An audit of the AMANDA Case Management and Compliance System at the Department of Internal Services found that while management of information technology has improved since our 2009 audit, further improvements are needed to better protect the security of information in AMANDA. AMANDA contains personal information, records of business permits and inspection results related to public safety, day cares, homes for special care and workplace accidents.

Internal Services needs to better manage the contract with the service provider for AMANDA. A value-for-money assessment of the service contract for AMANDA should be completed. Since 2004-05, the province has paid the service provider over \$50 million for services, an average of \$4 million annually.

The province has not identified critical infrastructure, or its owners, that could impact Nova Scotians and has not assigned responsibility to a specific department. In 2009, the Emergency Management Office accepted the



National Strategy for Critical Infrastructure however, they have not implemented a plan to meet this commitment and have not been given a clear mandate over critical infrastructure overall. Only the Department of Health and Wellness has planned for critical infrastructure protection on its own initiative and has considered the National Strategy.

"More planning must be done to ensure the resiliency of critical infrastructure required for the safety and well-being of Nova Scotians when bad events occur in the future," said Mr. Pickup. "Partnerships with the private sector are essential as those responsible for critical infrastructure such as utilities, communications, and transportation rely on others for a coordinated recovery from a disaster."

The report contains 23 recommendations, all but one of which have been accepted by government. The only exception being to revisit the decision related to the new high school in Eastern Passage.

The full report and four short videos are available at www.oag-nb.ca.

FOR BROADCAST USE:

In his fall report, Auditor General Michael Pickup says the Department of Education and Early Childhood Development needs to implement a rigorous capital planning process to address the 400 schools used to educate 118,000 students.

A new \$21 million school has been approved for Eastern Passage despite no analysis supporting it. As well, four projects worth \$63 million were approved by cabinet despite ranking lower by the responsible bureaucratic committees.

The Department of Education and Early Childhood Development is effectively monitoring licensed child care facilities responsible for 16,000 children, however, they need to improve oversight of agencies responsible for family home day cares which care for 1,200 children. They also need to clarify policies around high-priority violations such as missing or expired child abuse and criminal record checks for child care staff.

While controls have improved since our 2009 audit, the Department of Internal Services still has work to do to improve the security of information in the AMANDA system, which records around \$9 million in fees. Internal Services should also assess the value from the service contract for the AMANDA system which it has paid around \$50 million for to date.

The province needs to assign responsibility to a department for critical infrastructure. Despite agreeing to the National Strategy on Critical Infrastructure, the government has no plans in place to meet its commitments. Overall, more must be done, including partnering with the private sector to promote the resiliency of critical infrastructure when events, such as disasters, occur in the future.

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