

**2025**

**Report of the Auditor General  
to the Nova Scotia  
House of Assembly**



**School Capital Planning:  
Department of Education and Early  
Childhood Development**



**Performance Audit**  
**Independence • Integrity • Impact**



June 24, 2025

Honourable Danielle Barkhouse  
Speaker  
House of Assembly  
Province of Nova Scotia

Dear Madam Speaker:

I have the honour to submit herewith my Report to the House of Assembly under Section 18(2) of the *Auditor General Act*, to be laid before the House in accordance with Section 18(4) of the *Auditor General Act*.

Respectfully,

**Kim Adair, FCPA, FCA, ICD.D**

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# School Capital Planning

## Department of Education and Early Childhood Development

### Key Messages

- The Department of Education and Early Childhood Development created a multi-year school capital planning process in 2019, however enrolment trends have changed so improvements are needed.
- The multi-year capital planning process does not incorporate new growth schools.
- Submissions from Regional Centres for Education (RCEs) to the Department for replacement schools and major renovations were supported by evidence of need, but the scoring process needs improvement.
- While most schools have a Facility Condition Assessment on record, with 254 conducted in 2023, 21% have not had an updated assessment within the last five years.

### Why We Did This Audit

- Nova Scotia has 372 schools with over 133,000 students.
- \$1 billion in new growth and replacement schools have been announced since June 2024, which is a significant investment of Nova Scotia taxpayer dollars.
- Provincial enrolment increased by over 15,000 students or 13% in the past 10 years and by 24% in Halifax Regional Centre for Education (HRCE) alone.
- \$162 million spent on HRCE portables and modulars in the last four years to accommodate 6,000+ students.
- 30% of schools are in poor condition and 3% are in critical condition, based on the Facility Condition Index which measures overall facility condition, not school safety.

### Department Does Not Have an Evidence-Based Process for New Growth School Decisions

- We were unable to follow how the Department arrived at the decision to announce four new growth schools in June 2023
- Department does not have a process for decisions on new growth schools at a time of significant population growth
- Six new HRCE growth schools approved in order that differed from HRCE's preference
- Submissions from RCEs/Conseil scolaire acadien provincial (CSAP) and scoring not required for new growth school decisions
- Enrolment projections used for decision making appear to be reasonable, based on appropriate information and are up to date
- \$162 million spent on portables and modulars in the past five years to mitigate short and medium-term enrolment pressures in HRCE

### **Scoring Process for Replacement Schools and Major Renovations Lacks Evidence for Prioritization of Projects**

- Submissions to the Department from RCEs for replacement schools and major renovations supported by evidence of need
- Categorization of replacement schools and major renovations as low, medium or high appeared to be supported by evidence and based on appropriate criteria, however scoring matrices lacked detail
- While projects were categorized as low, medium or high, they were not ranked by priority, and it was not clear why certain projects were recommended for consideration and others were not
- In 2022-23, 11 projects were categorized as medium, but only two were recommended for consideration, with no evidence for their prioritization









### **School Condition Information Outdated**

- 21% (77) of school facilities did not have a facility condition assessment completed within the past five years as required
- 30% of HRCE school facilities lacked annual updates on school building conditions

## Reference Guide – Key Findings and Observations

Paragraph	Key Findings and Observations
<i>The Department Does Not Have an Evidence-Based Process for New Growth School Decisions</i>	
1.16	The Department created a multi-year school capital planning process in 2019
1.20	The process was designed at a time when enrolment was stable and new growth schools were not anticipated
1.23	The Department said it uses enrolment projections to determine if and where a new growth school is needed
1.25	We were unable to follow how the Department arrived at the decision around four new growth schools announced in June 2023
1.34	HRCE submitted a comprehensive business case for one of the six proposed new growth schools
1.36	Six new HRCE growth schools approved in order that differed from HRCE's preference
1.40	New growth school proposals should consider the timing of upcoming housing developments
1.47	Enrolment projections based on reasonable factors
1.51	Three schools approved in 2018 with no construction activity over seven years later
<i>Scoring Process for Replacement Schools and Major Renovations Lacks Evidence for Prioritization of Projects</i>	
1.58	School Capital Scoring Committee not made up of RCE/CSAP representatives as required by Policy
1.62	While overall categorization of projects appeared consistent with RCE proposals, scoring committee conclusions lacked supporting detail
1.68	Unclear how the Department determines priority rankings for recommendations
1.71	More detailed scoring for school capital projects used in other jurisdictions
<i>School Condition Information Outdated</i>	
1.72	School facilities must have a facility condition assessment every three to five years
1.76	21% or 77 of school facilities in Nova Scotia have not had a facility condition assessment in the past five years
<i>School Capital Planning Website Lacks Key Information to Inform Public</i>	
1.79	Improvements could be made to the school capital planning website

## Recommendations and Responses

Recommendation	Department Response
<p><b>Recommendation 1.1</b></p> <p>We recommend the Department of Education and Early Childhood Development (EECD) update the school capital planning process to require RCEs/CSAP to submit a business case supported by evidence for all new growth schools, including information on:</p> <ul style="list-style-type: none"> <li>- enrolment projections and related capacity;</li> <li>- modular and portable use;</li> <li>- boundary reviews;</li> <li>- grade reconfigurations; and</li> <li>- upcoming housing developments in the area including timelines and related impact on capacity.</li> </ul> <p><b>See paragraph 1.46</b></p>	<p>EECD will update the school capital planning process by introducing a standardized business case to support new growth school proposals. The scoring committee assessment will also be refined to include new growth schools and to make targeted improvements for replacement schools.</p> <p>  Department Agrees   <b>Target Date for Implementation:</b>  November 2025 </p>
<p><b>Recommendation 1.2</b></p> <p>We recommend the Department of Education and Early Childhood Development, in consultation with the Department of Public Works, work to resolve the delays in construction of schools.</p> <p><b>See paragraph 1.57</b></p>	<p>EECD will work with Public Works to review the capital construction process for schools to identify efficiencies that could expedite construction.</p> <p>  Department Agrees   <b>Target Date for Implementation:</b>  March 2026 </p>
<p><b>Recommendation 1.3</b></p> <p>We recommend the Department of Education and Early Childhood Development update the school capital planning process to reflect the current make-up of the scoring committee.</p> <p><b>See paragraph 1.61</b></p>	<p>EECD will update the membership of the scoring committee, as defined in the school capital planning process, to reflect the current approach.</p> <p>  Department Agrees   <b>Target Date for Implementation:</b>  July 2025 </p>
<p><b>Recommendation 1.4</b></p> <p>We recommend the Department of Education and Early Childhood Development update the school capital planning scoring process, including:</p> <ul style="list-style-type: none"> <li>- Creating unique scoring matrices for new growth schools, replacement schools, and major renovations;</li> <li>- Requiring clear rationale for advancing one project over another, particularly when more than one project has the same category of low, medium or high;</li> <li>- Incorporate eligibility criteria for scoring potential new growth schools including considering available land for the project.</li> </ul> <p><b>See paragraph 1.71</b></p>	<p>EECD will update the school capital planning process by introducing a standardized business case to support new growth school proposals. The scoring committee assessment will be refined to include new growth schools and to make targeted improvements for replacement schools.</p> <p>  Department Agrees   <b>Target Date for Implementation:</b>  November 2025 </p>

## Recommendations and Responses

Recommendation	Department Response	
<p><b>Recommendation 1.5</b> We recommend the Department of Education and Early Childhood Development complete required facility condition assessments for all schools in Nova Scotia.</p> <p><b>See paragraph 1.78</b></p>	<p>EECD initiated a systematic approach to completing facility condition assessments of schools in 2023, before this audit began. During this time, 254 facility condition assessments were completed for schools that had never had one.</p> <p>EECD will develop a process that identifies the frequency required for facility condition assessments of schools. Based on this standard, EECD will update any out-of-date facility condition assessments for schools.</p>	<p>✓ Department Agrees</p> <p>📅 <b>Target Date for Implementation:</b> June 2026</p>
<p><b>Recommendation 1.6</b> We recommend the Department of Education and Early Childhood Development add more information to its school capital planning website including details such as:</p> <ul style="list-style-type: none"> <li>- Approval date and projected school opening for all projects;</li> <li>- Ten-year enrolment projections by RCE/CSAP and provincially;</li> <li>- Information on significant upcoming housing developments that will impact capacity of the school system; and</li> <li>- Criteria for scoring and ranking of projects.</li> </ul> <p><b>See paragraph 1.80</b></p>	<p>EECD recently completed an update to the capital plan website. Further details, as identified, will regularly be added and updated as they are available.</p>	<p>✓ Department Agrees</p> <p>📅 <b>Target Date for Implementation:</b> September 2025</p>



## Questions Nova Scotians May Want to Ask

1. For projects with the same score, how does the Department of Education and Early Childhood Development decide which school capital projects to prioritize?
2. What are the downsides of using modulars and portables to mitigate enrolment pressures?
3. How does the Department of Education and Early Childhood Development factor in regional fairness to its school capital planning decisions?
4. Why doesn't the Department of Education and Early Childhood Development use quantitative scoring to assess school capital projects?
5. How does the Department of Education and Early Childhood Development plan to address the 10 schools in the province that are in critical condition?



*New growth school West Bedford High, opened in September 2023 (School website photo)*

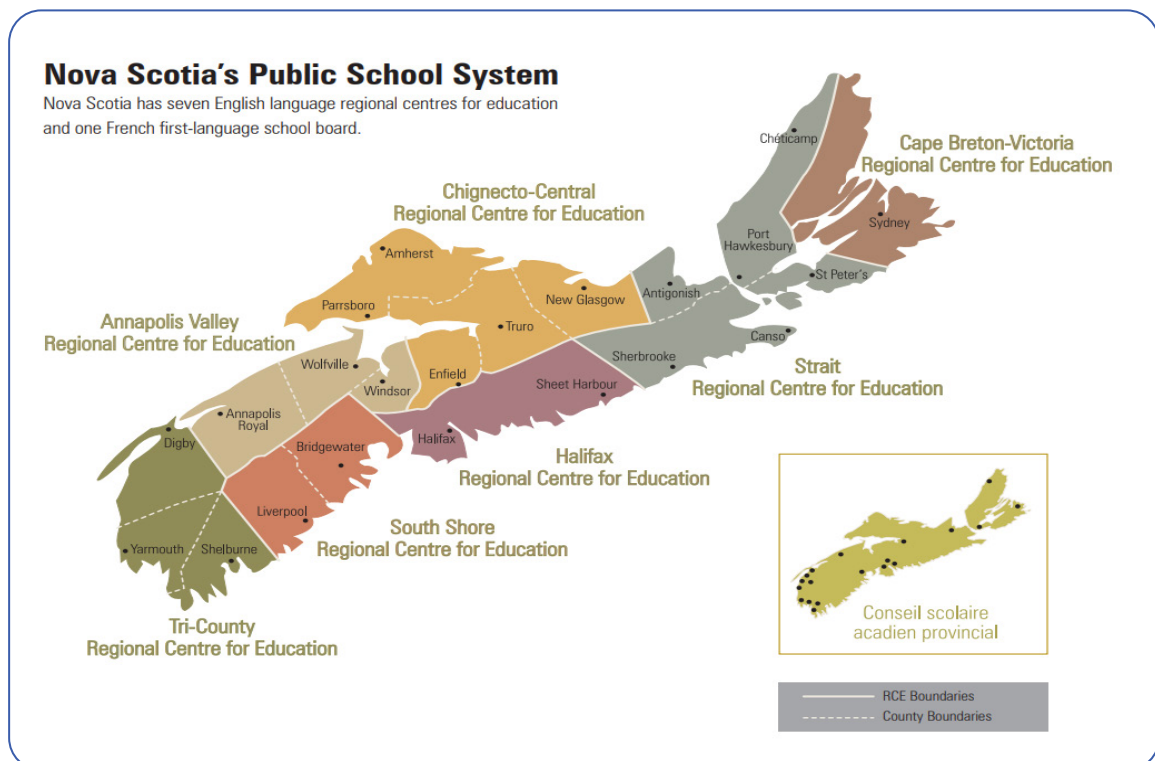
# 1 Department of Education and Early Childhood Development: School Capital Planning

## Background

- 1.1 In Nova Scotia, school capital planning is the responsibility of the Department of Education and Early Childhood Development (the Department). School capital planning consists of making decisions about the need for new growth and replacement schools, as well as renovations of existing schools. The Department, in consultation with Regional Centres for Education (RCEs) and Conseil scolaire acadien provincial (CSAP), identifies potential school capital projects and the Minister makes recommendations to the Executive Council (Cabinet) for approval. We will refer to the Executive Council as Government in this report.
- 1.2 The Department of Public Works is responsible for identifying the specific site within the community where a new school will be located and overseeing construction of school capital projects. This audit covers school capital planning work up to the point of site selection and therefore focuses on the role of the Department of Education and Early Childhood Development.



Replacement school J.L. Ilsley High, opened in September 2021 (School website photo)



Source: Department of Education and Early Childhood Development

- 1.3 As of April 2025, there were 372 schools in Nova Scotia, with over 133,000 students enrolled from Pre-Primary to Grade 12. Schools in Nova Scotia are spread across seven RCEs as well as the French first-language school board CSAP which has schools throughout the province.
- 1.4 As noted, school capital planning consists of making decisions around three different project types: new growth schools, replacement schools, and major renovations of existing schools.

Type of School Capital Project	Description
<b>New Growth School</b>	A new growth school provides additional new capacity to a community, when enrolment levels cannot be satisfied by existing schools in the area.
<b>Replacement School</b>	<ul style="list-style-type: none"> <li>A replacement school is a new building that addresses aging infrastructure and enrolment pressures in an existing school.</li> <li>Replacement schools are often built on the same site as existing schools, unless the planned building is too large for the site.</li> </ul>
<b>Major Renovations</b>	Major renovations are projects over \$1 million that supplement an existing school, such as a new wing.

- 1.5 Due to significant growth in enrolment, the Department has also increased the use of “modulars” and “portables” in recent years, particularly in HRCE.

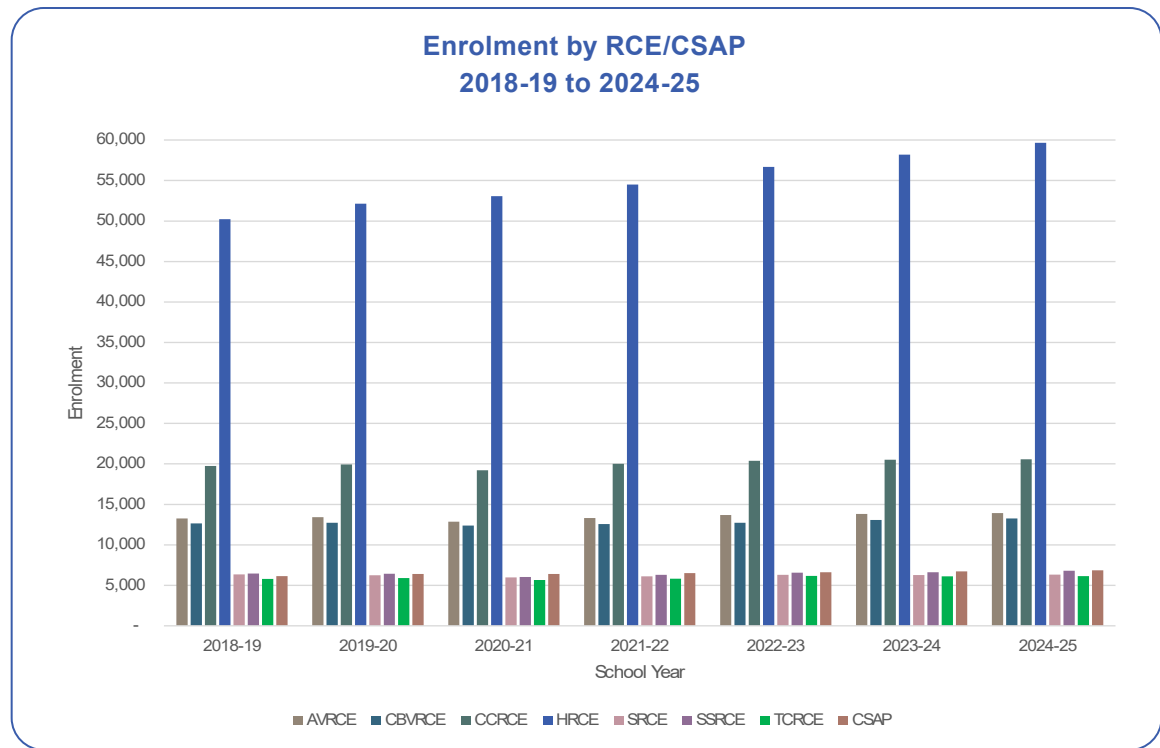
- 1.6 Portables (right) are standalone buildings on an existing school site, separate from the main school building and often contain only one classroom with no washroom. Modulars are mini schools with several classrooms, hallways and washrooms.



Example of portable unit (Shutterstock photo)

- 1.7 Portables are used at 9% of schools in the province, while 5% have modulars, the majority of which are in HRCE. Over the last four years, HRCE has spent \$162 million on either purchasing or moving portables and modulars between school sites to manage the short- and medium-term enrolment challenges while it identifies long-term solutions. The capacity of the current portable and modular units in HRCE, where the majority of portables and modulars are located, is over 6,000 students, or 10% of all students enrolled in HRCE.
- 1.8 In November 2016, our office completed a performance audit on School Capital Planning which found that overall, the Department was doing a poor job of planning for new or renovated schools. In 2018 and 2019, in response to our audit, the Department announced its first multi-year school capital plan and related process respectively. The creation of this multi-year process acknowledged school capital planning cannot be effectively done on an annual basis, due to the time required to build a school or complete a major renovation.
- 1.9 Ten years ago, enrolment was stable and stood at 118,000 provincially. Since that time, enrolments in Nova Scotia schools have increased by over 15,000 students or 13%. The HRCE experienced the largest influx of students in the province, with an increase of 24%. We recognize

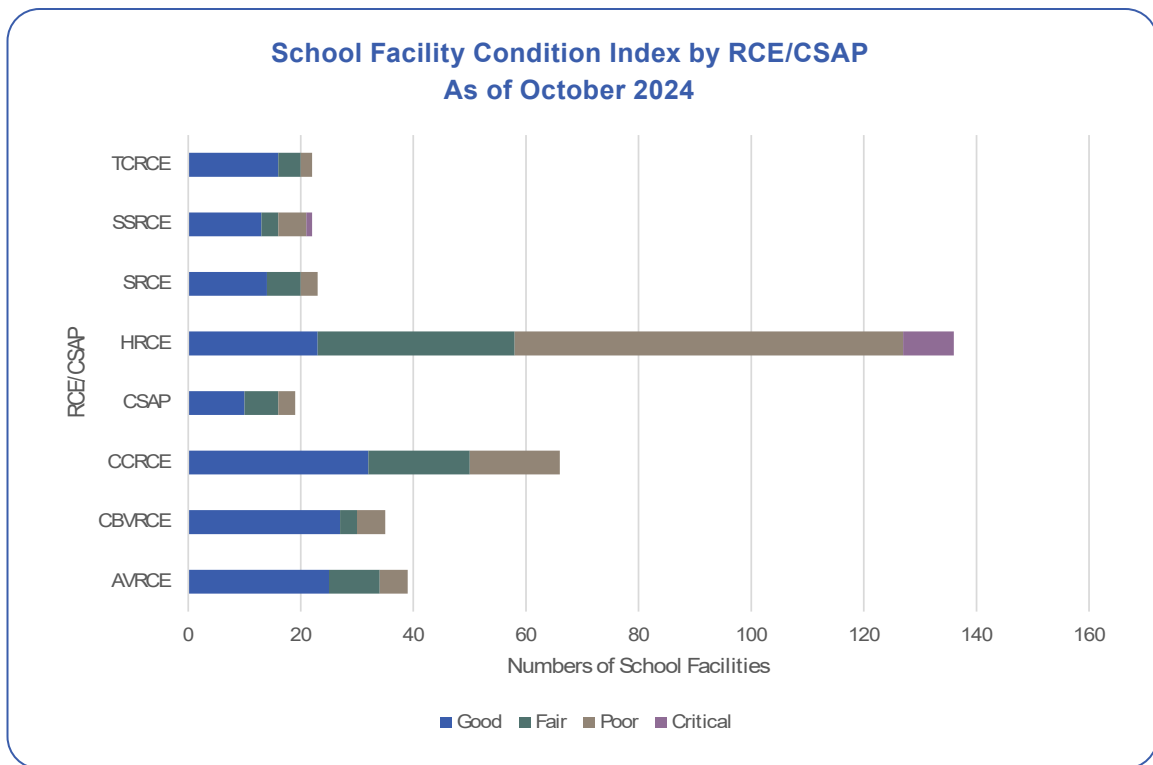
addressing this increase in enrolment is a significant challenge. The following chart shows the trends in enrolment in Nova Scotia from 2018-19 to 2024-25:



Source: Department of Education and Early Childhood Development

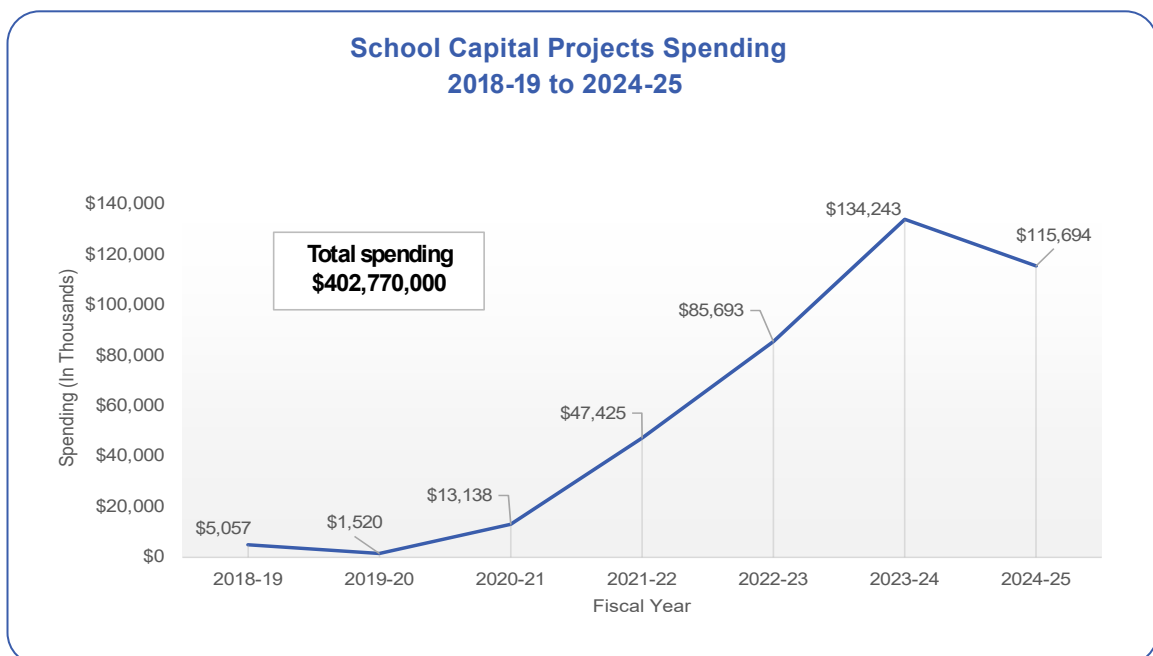
- 1.10 The physical condition of an existing school is a key factor in determining if a replacement school is needed. The Department has a system that tracks the condition of all school facilities that is required to be regularly updated.
- 1.11 According to facility condition assessments from 2024, 30% (108) of school facilities in Nova Scotia are in poor condition, while 3% (10) are in critical condition. Most of the school facilities in critical condition are in HRCE. The Department noted the facility condition rating does not reflect on the safety of the school building for students and staff but rather is an indicator of the overall condition of the facility used for long-term financial planning purposes.
- 1.12 The following chart shows the condition of schools in Nova Scotia as of October 2024, by RCE/CSAP including Tri-County (TCRCE), South Shore (SSRCE), Strait (SRCE), Halifax (HRCE), Conseil scolaire acadien provincial (CSAP), Chignecto-Central (CCRCE), Cape Breton-Victoria (CBVRCE), and Annapolis Valley (AVRCE):





Source: Department of Education and Early Childhood Development

- 1.13 Since 2018, Government has approved \$2 billion for 28 school capital projects. Of this, \$1 billion (50%) was related to nine new growth or replacement schools approved since June 2024.
- 1.14 Since 2018, the actual spending on these 28 school capital projects has been almost \$403 million. The chart below shows the annual school capital project spending since 2018:



Source: Office of the Auditor General of Nova Scotia



- 1.15 For more detailed work, we selected HRCE, CCRCE and CBVRCE to perform our testing. We examined all projects that were on the School Capital Plan in September 2024, as well as new growth and replacement schools announced in Fall 2024 and Winter 2025. We also examined the projects put forward by RCEs that were not subsequently approved.

## The Department Does Not Have an Evidence-Based Process for New Growth School Decisions

### The Department created a multi-year school capital planning process in 2019

- 1.16 The Department released its first multi-year school capital planning process in 2019, in part to respond to the recommendations from our 2016 audit of School Capital Planning. Our audit found school capital planning decisions were being made on an ad hoc annual basis without supporting evidence instead of with a vision for long-term capital planning. This resulted in difficulties for the Department to properly plan, maintain and build schools due to the changing annual priorities and demands of Government. The school capital planning process released in 2019 addresses replacement schools and major school renovations, but it does not address new growth schools.
- 1.17 In the fall of each year, RCEs/CSAP submit proposals for replacement schools and major renovations of existing schools (over \$1 million) to the Department. These submissions must be put forward on a provincial template.

#### The RCE/CSAP submissions for replacement schools and major renovations are required to include information such as:

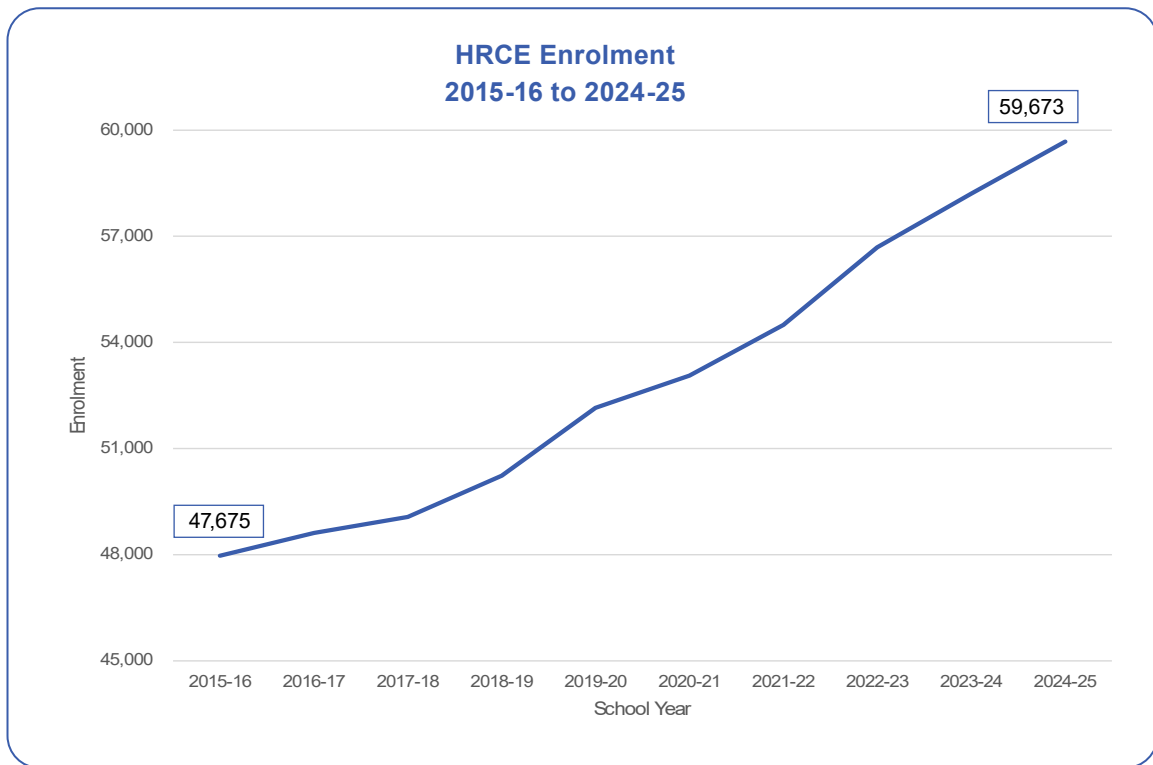
- project rationale/overview
- the condition of the existing building
- number of modulars or portables, if any, already on site
- community impact
- health/Occupational Health and Safety regulatory impacts
- program delivery
- other potential options
- risks of not moving forward; and
- cost/benefit analysis



- 1.18 After the proposals for replacement schools and major renovations are submitted, they are scored by a Departmental committee.
- 1.19 The Minister of the Department then makes the final decision about which projects will be recommended to Executive Council for approval.

### The process was designed at a time when enrolment was stable and new growth schools were not anticipated

- 1.20 When the Department began updating the process, enrolment in Nova Scotia was relatively stable. New growth schools with additional capacity were not anticipated.
- 1.21 However, in the last 10 years, there has been a significant enrolment increase of 13% in the province and 24% within HRCE alone. The COVID-19 pandemic resulted in an increase in the population of Nova Scotia and the implementation of the pre-primary program (beginning in 2017) also resulted in significant additional capacity needs in schools that the Department was required to manage. The following chart shows the increase in enrolment in HRCE:



Source: Department of Education and Early Childhood Development

- 1.22 The province must now expand the focus of its school capital planning process to address increased enrolment demands to respond to the overcapacity in existing schools and communities, particularly in HRCE.

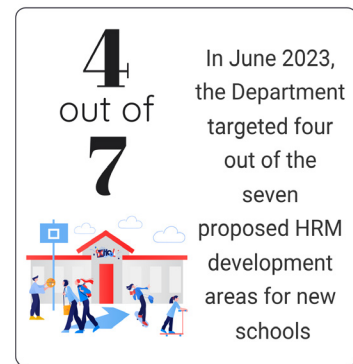
**➡ The Department said it uses enrolment projections to determine if and where a new growth school is needed**

- 1.23 Given the significant financial investment of over \$739 million for six new growth schools announced in the past eight months, and without a clearly documented process, we asked the Department what evidence it reviewed to make these new growth school recommendations.
- 1.24 The Department said it primarily relies on enrolment projections to decide when and where a new growth school is needed. While we agree enrolment projections are one element, we expected to see other factors considered for these substantial financial commitments such as whether there is available capacity in neighbouring schools, or if a grade reconfiguration or boundary review could be conducted to resolve growth issues.

**➡ We were unable to follow how the Department arrived at the decision around four new growth schools announced in June 2023**

1.25 In June 2023, the Department announced its intention to build four new growth schools in the Halifax Regional Municipality (HRM). At the time, the only information about the location of the schools was that they would all be located in “HRM growth areas.”

1.26 We asked the Department what evidence was used to support the need for four new growth schools in HRCE related to the June 2023 announcement. The evidence included the number of housing units in upcoming new developments in seven areas, but there was no information on the student yield from these developments nor was there a comparison to the capacity of existing schools to clearly show new growth schools were required and in which areas.



1.27 For reasons that were not clear, four out of seven growth areas were prioritized as potential locations for the new growth schools and it was not clearly demonstrated if enrolment pressures were highest in these four areas. To make informed decisions, clear information on the timing of the upcoming developments, the number of students expected from these developments and a clear comparison to the impact on capacity on neighbouring schools should be demonstrated.

1.28 The Department could not provide clarity on why it felt four schools were needed at that time within the seven growth areas.

1.29 We also know, as mentioned earlier, that decisions for the other two types of school capital projects (replacement schools and major renovations) begin with a submission from the RCE/CSAP, with evidence supporting the need for the capital project.



*Replacement school Springhill Elementary, opened in September 2024  
(School website photo)*

1.30 We asked the Department whether HRCE submitted a proposal identifying the need for new growth schools, prior to the announcement in June 2023. The only submission made by HRCE was in October 2023, four months after the Department had already announced its intention to build four new growth schools.

1.31 The Department indicated there are constant and regular conversations around the need for new growth schools, however no one we spoke with was able to clearly explain how the conclusion was reached that four was the number of new growth schools required in HRCE.

1.32 The submission in October 2023 from HRCE identified six areas where HRCE felt new growth schools were needed and they were noted as being listed in order of preference.

1.33 There was some evidence included in HRCE's submission to support four of the six new growth schools related to upcoming housing developments in their areas, and no evidence provided for the other two.

 **HRCE submitted a comprehensive business case for one of the six proposed new growth schools**



- 1.34 In June 2024, a detailed business case was submitted by HRCE to the Department for a new growth school in Timberlea, which was one of the six locations already put forward to the Department. No one we spoke with could tell us why a detailed submission was made for one of the schools but not for the remaining five.
- 1.35 We found the HRCE submission to be thorough and proposed a well-supported case for the new growth school. The submission included the analysis we would have expected to see when a new growth school is being considered. Factors examined included details around:
- enrolment projections and the impact on the capacity of schools in the area;
  - current modular and portable use;
  - the challenges around potential boundary changes and grade reconfigurations; and
  - detailed timelines for upcoming housing developments.

### Six new HRCE growth schools approved in order that differed from HRCE's preference

- 1.36 The Department subsequently announced the location of four new growth schools in September 2024. Missing from the list were the 1st- and 3rd-ranked schools from HRCE's submission. Out of the four schools that were approved, HRCE had not provided the Department with any supporting documentation for two of them (Millwood and Sandy Lake), and therefore we are unclear how the Department made the decision at the time to recommend these two projects to Government.
- 1.37 In February 2025, when our audit was already underway, the remaining two of the original six proposed new HRCE growth schools were approved and announced. When the first four schools were approved, there was no indication from the Department or HRCE that the remaining two schools would soon be approved.
- 1.38 While we acknowledge the Department ultimately approved all six schools put forward by HRCE, it is concerning that there was no clear evidence to support the order in which they were approved.
- 1.39 The following diagram summarizes the timeline for the announcements of the six new growth schools in HRCE:



Source: Office of the Auditor General of Nova Scotia

## **New growth school proposals should consider the timing of upcoming housing developments**

- 1.40 The main driver for a new growth school is the announcement of a new housing development. Some of the new housing developments announced in recent years in HRCE have been proposed with upwards of 6,000 new housing units. A housing unit is a single-family dwelling intended for occupancy by one household.
- 1.41 When there are numerous new growth schools being considered for upcoming housing developments, it is important the evidence clearly supports the order in which schools are recommended to the Executive Council for approval. This clear evidence would allow the Executive Council to make informed decisions when considering these significant proposed capital projects and ensure an area's growing population is appropriately serviced with a new growth school.
- 1.42 It is important the order of new growth school approvals matches up with the timing of new housing developments. While one development may already be under construction and nearing completion, another may not even have its development approvals in order to begin construction and may be many years away from residents moving in.
- 1.43 As a result, the priority of new growth schools should correspond to the projected completion date of new housing developments in communities.
- 1.44 We found insufficient information demonstrating the link between the timing of new housing developments and the order of the new growth schools recommended by the Department.
- 1.45 For example, one of the four locations approved for a new growth school in September 2024 was a development with a potential for 6,000 housing units. However, we found that as of March 2025, this development is still 18-24 months away from an approval for construction to even begin. At that point, the build out of a development of this size could take many years. By comparison, a development in the community where one of the last two school locations was approved in February 2025 is much further along in the development process.
- 1.46 While we again recognize all six new growth schools were eventually approved, it is not clear to us why one project in the first group of new growth schools was approved in September 2024, ahead of other projects which may be further along in development. The rationale behind all of these significant financial decisions should be very clear and supported by evidence.

### **Recommendation 1.1**

We recommend the Department of Education and Early Childhood Development update the school capital planning process to require RCEs/CSAP to submit a business case supported by evidence for all new growth schools, including information on:

- enrolment projections and related capacity;
- modular and portable use;
- boundary reviews;
- grade reconfigurations; and
- upcoming housing developments in the area including timelines and related impact on capacity.

**Department of Education and Early Childhood Development Response:** EECD will update the school capital planning process by introducing a standardized business case to support new growth school proposals. The scoring committee assessment will also be refined to include new growth schools and to make targeted improvements for replacement schools. Target Date: November 2025

## Enrolment projections based on reasonable factors

- 1.47 Because of the reliance on enrolment projections for significant school capital planning decisions, we examined how the projections are created and the inputs involved.
- 1.48 RCEs/CSAP use a software program to project enrolment in their regions. The projections are based on what appear to be reasonable factors that are highlighted in the chart below:

### RCEs/CSAP project enrolment in their regions based on:

- Demographic information from the Province's Student Information System which includes data on students' attendance within their catchment area
- Provincial Birth Registry data
- Canada Child Benefit data which provides current and historical information on cross-country moving trends and provinces of residence
- Census data to identify fluctuations in the number of women ages 20-34 who may have children in the future
- New housing projects and associated student yield



- 1.49 We reviewed the enrolment projections system and found the inputs used to be reasonable. The Department indicated it has confidence in the system's projections and the post-pandemic increase in enrolment was unprecedented and could not have been foreseen. It is difficult to determine how much of this enrolment increase could have been predicted by the Department. We performed testing of projected enrolment to actual enrolment and found the actual enrolment was within 10% of the projected enrolment for the same year.
- 1.50 We also selected a large development project and found the eventual student enrolment impact was appropriately factored into projections.

## Three schools approved in 2018 with no construction activity over seven years later

- 1.51 Elsewhere in Nova Scotia, the Department has only spent less than 1% or \$765,000 of the total approved budget of \$198,669,500 on three replacement schools more than seven years after they were approved in 2018.
- 1.52 Two of the projects are in the Cape Breton Victoria Regional Centre for Education (CBVRCE). CBVRCE indicated delays were related to COVID-19 pandemic due to a shortage of skilled trades labour. The site selection process for both sites was only recently completed, and land must be acquired next.
- 1.53 The third project is in Fairview Clayton Park. When asked why so little work had been done on this project, the Department indicated there were delays in acquiring a suitable site. Once the land was identified, management said there were technical issues beyond their control which delayed the Department from being able to take ownership of the site.
- 1.54 We also found significant delays with another school in HRCE, also announced in 2018, St. Joseph's-Alexander McKay, shown in the photo below. To date, only 51% of the \$55.2 million budget, or about \$28.2 million, has been spent. The Department indicated there were construction

challenges with the foundation and changes to the original building design, and that they expect the project to be completed in the 2025-26 school year.



*Replacement school St. Joseph's-Alexander McKay, under construction, May 2025 (Office of the Auditor General of Nova Scotia photo)*

- 1.55 It is important to note the average cost of building a new school in Nova Scotia has essentially doubled between 2018 to 2025. A delay of seven years between approval and construction could cost the government millions more to construct the school. This time lapse may also result in a new school that is no longer big enough for the community, if the enrolment projections have changed since the initial approval.
- 1.56 These issues highlight the importance of approving new growth schools for areas with identified available land that can be developed within a reasonable timeframe. In the meantime, HRCE and CBVRCE must continue to manage capacity challenges and costs to maintain buildings that were approved for replacement almost a decade ago.
- 1.57 The Department highlighted challenges related to the division of responsibilities with the Department of Public Works. Public Works, as noted earlier in this report, is responsible for site selection once the project has been approved as well as managing construction. The Department, however, remains responsible for mitigating challenges with enrolment and current facilities while construction occurs.

### **Recommendation 1.2**

We recommend the Department of Education and Early Childhood Development, in consultation with the Department of Public Works, work to resolve the delays in construction of schools.

**Department of Education and Early Childhood Development Response:** EECD will work with Public Works to review the capital construction process for schools to identify efficiencies that could expedite construction. Target Date: March 2026



## Scoring Process for Replacement Schools and Major Renovations Lacks Evidence for Prioritization of Projects

### **School Capital Scoring Committee not made up of RCE/CSAP representatives as required by Policy**

- 1.58 A committee is convened by the Department to evaluate all submissions from RCEs/CSAP for replacement schools and major renovations.
- 1.59 According to the School Capital Planning Process, the committee to evaluate submissions should include the Director of Operations from each RCE/CSAP. Directors are not to be included in evaluating submissions from their own RCE/CSAP.
- 1.60 However, the Committee, in practice, is made up of representatives from the Department, as well as from Public Works and Finance, and does not include representation from the RCEs/CSAP. The Department indicated the documented required composition of the committee was problematic as it could include up to 13 individuals, and it may be difficult to achieve an unbiased outcome.
- 1.61 While the composition and expertise of the current scoring committee appears to be reasonable, the Department should update the school capital plan process document to match its practice.

#### **Recommendation 1.3**

We recommend the Department of Education and Early Childhood Development update the school capital planning process to reflect the current make-up of the scoring committee.

**Department of Education and Early Childhood Development Response:** EECD will update the membership of the scoring committee, as defined in the school capital planning process, to reflect the current approach. Target Date: July 2025

### **While overall categorization of projects appeared consistent with RCE proposals, scoring committee conclusions lacked supporting detail**

- 1.62 RCEs/CSAP make annual submissions to the Department for replacement schools and major renovations using a standard template supported by evidence of need. As mentioned before, submissions must include:
  - Project rationale/overview
  - Physical condition of the building
  - Modularity/portables already on the site
  - Community impact
  - Health/Occupational Health and Safety and other regulatory impacts
  - Program delivery
  - Other potential options
  - Risks of not moving forward with the project
  - Cost/benefit analysis
- 1.63 Appendix II contains the scoring matrix used by the scoring committee and the chart below summarizes the criteria it contains:

**The matrix used by the scoring committee includes:**

- Code or Regulatory Compliance
- Capacity and Growth
- Programming Options
- Age/Condition of Building
- Cost/Benefit Consideration
- Risk of Not Moving Forward



1.64 There are prepopulated comments on the template for each criterion under the low, medium and high categories providing guidance on how to categorize projects. This matrix is used for both replacement school proposals and major renovations.

1.65 Each criterion is given a categorization of low, medium or high and then the project is given a final overall categorization of low, medium or high. Projects are not ranked in order of priority within each category, so if two projects are assigned the same categorization (medium for example), there is no additional weighting to identify which is the higher priority.



*John W. MacLeod-Fleming Tower Elementary, approved for replacement in September 2024 (Office of the Auditor General of Nova Scotia photo)*

1.66 We tested all replacement school and major renovation projects categorized in fiscal years 2022-23, 2023-24 and 2024-25 and found the categories of low, medium or high assigned to each of the criterion appeared to be consistent with the evidence submitted by the RCEs.

1.67 However, we found the scoring committee's conclusions contained minimal details to support how the categorization for each criterion was selected. We would have expected clear and detailed support for the conclusion on each criterion.

## **Unclear how the Department determines priority rankings for recommendations**

1.68 The Department provides the list of categorized replacement school and major renovation projects to the Minister of the Department, who will then indicate to department staff which projects will be recommended to Executive Council. The list contains the categorization for each project of high, medium and low, but projects are not ranked in order of priority.

1.69 For example, in 2022-23, there were 11 projects categorized as "medium," however the Department prioritized and recommended only two of the projects for consideration. The Department was unable to explain the reason behind recommending these two projects over the nine others with the same categorization of medium.

1.70 The Department indicated regional fairness is a component of decision making for school capital projects but does not define what this means in the school capital planning process. While the Department may have the authority to use this factor to make decisions on which projects to prioritize, we are concerned that the lack of documented justification for selecting one project over another with the same categorization could result in subjective decisions being made on multi-million-dollar projects.

## More detailed scoring for school capital projects used in other jurisdictions

- 1.71 We performed a jurisdictional scan of school capital planning processes elsewhere. We found one jurisdiction – the Calgary Board of Education – with components in their school capital planning process that could be considered for use in Nova Scotia. Some aspects included:
- All potential projects first need to meet eligibility criteria before even being scored under ranking criteria. Examples of eligibility criteria for a new growth school include the requirement for an available site ready for construction within five years or a school in an adjacent community that can accommodate students for the long-term
  - Specific eligibility and scoring criteria for modular classrooms
  - Public ranking of projects to identify for decision makers the projects with the highest priority
  - Quantitative scoring of projects against various criteria, with points assigned

### **Recommendation 1.4**

We recommend the Department of Education and Early Childhood Development update the school capital planning scoring process, including:

- Creating unique scoring matrices for new growth schools, replacement schools, and major renovations;
- Requiring clear rationale for advancing one project over another, particularly when more than one project has the same category of low, medium or high;
- Incorporate eligibility criteria for scoring potential new growth schools including considering available land for the project.

**Department of Education and Early Childhood Development Response:** EECD will update the school capital planning process by introducing a standardized business case to support new growth school proposals. The scoring committee assessment will be refined to include new growth schools and to make targeted improvements for replacement schools. Target Date: November 2025

## School Condition Information Outdated

### School facilities must have a facility condition assessment every three to five years

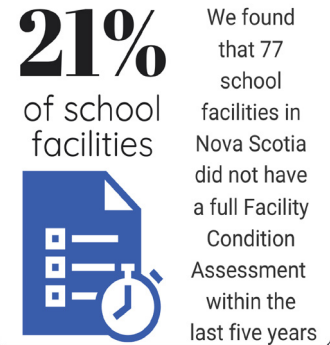
- 1.72 The school capital planning process requires every school facility in Nova Scotia to have a Facility Condition Assessment completed every three to five years. Facility Condition Assessments are completed by outside consultants contracted by each RCE/CSAP, guided by industry standards, and recorded in a province-wide digital system.
- 1.73 Based on the assessment, schools are assigned a percentage or facility condition index (FCI), with a higher number illustrating a greater need for repairs and maintenance. Schools that score over 10% are in poor condition and those over 30% are in critical condition. Schools with a percentage equal to or lower than 10% are considered to be in good or fair condition. Schools in critical condition are clearly aged with several systems (such as roof or heating) requiring frequent repairs and the building may not warrant further investment, but are not considered to be unsafe.
- 1.74 Each RCE/CSAP is also required annually to enter any physical upgrades to schools in its region into the digitized system or as updates are completed.
- 1.75 Ensuring this system is up to date is a crucial component of school capital planning as it ensures the Department has clear and relevant information for the condition of all school buildings in one central organized system.

## **21% or 77 of school facilities in Nova Scotia have not had a facility condition assessment in the past five years**

1.76 We found that 21% (77) of school facilities did not have a full facility condition assessment completed within the last five years, and all of them are located in HRCE. There are some schools that are leased by the province or are sharing a building with another school and therefore do not require an individual assessment. The Department indicated some facilities in HRCE were assessed in 2018 and are now coming due for renewed assessments.

1.77 We also found 30% (109) of school facilities in Nova Scotia did not have a date recorded for the last annual update so we were unable to determine if they were updated at least annually as required. Again, all of these schools are in HRCE. Annual required updates were completed in all other RCEs/CSAP.

1.78 The Department indicated its capital repairs budget, which is used to improve the condition of school facilities, has been increased in recent years to try to address deferred maintenance in schools. The Department noted in 2023-24 and 2024-25, spending on capital repairs increased to almost \$30 million, up from \$6 million in 2021-22.



### **Recommendation 1.5**

We recommend the Department of Education and Early Childhood Development complete required facility condition assessments for all schools in Nova Scotia.

**Department of Education and Early Childhood Development Response:** EECD initiated a systematic approach to completing facility condition assessments of schools in 2023, before this audit began. During this time, 254 facility condition assessments were completed for schools that had never had one.

EECD will develop a process that identifies the frequency required for facility condition assessments of schools. Based on this standard, EECD will update any out-of-date facility condition assessments for schools. Target Date: June 2026

## **School Capital Planning Website Lacks Key Information to Inform Public**

### **Improvements could be made to the school capital planning website**

1.79 In the Calgary Board of Education, we also found appropriate and detailed information related to school planning updates which could serve as a model for the Department's capital planning website, including:

- Approval date
- Number of years the project has been listed on the school capital plan
- Five-year history of enrolments and five-year enrolment projections
- Information on community developments and population growth
- Eligibility criteria used to screen projects before being scored
- Ranking criteria used for scoring projects that have met eligibility criteria
- Maps of all school capital projects



1.80 Under the school capital policy, RCEs/CSAP are required to post their long-range enrolment outlooks on their websites. We found only two of seven RCEs/CSAP had up to date enrolment outlooks on their websites, while some had none and others had out-of-date information. The Department indicated it is now using “heat maps” instead of long-range outlooks, however we found no evidence of heat maps on the current Department or on any RCE/CSAP websites. Heat maps are essentially a visual representation of the enrolment projections system.

#### Recommendation 1.6

We recommend the Department of Education and Early Childhood Development add more information to their school capital planning website including details such as:

- Approval date and projected school opening for all projects;
- Ten-year enrolment projections by RCE/CSAP and provincially;
- Information on significant upcoming housing developments that will impact capacity of the school system; and
- Criteria for scoring and ranking of projects.

**Department of Education and Early Childhood Development Response:** EECD recently completed an update to the capital plan website. Further details, as identified, will regularly be added and updated as they are available. Target Date: September 2025



École Wedgeport

*Replacement school École Wedgeport, opened in January 2025 (School website photo)*

## Reasonable Assurance Engagement Description and Conclusions

We completed an independent assurance report of School Capital Planning at the Department of Education and Early Childhood Development. The purpose of this performance audit was to determine whether the Department of Education and Early Childhood Development is making evidence-based recommendations to Government when prioritizing school capital projects.

It is our role to independently express a conclusion whether school capital planning complies in all significant respects with the applicable criteria. Management at the Department of Education and Early Childhood Development have acknowledged their responsibility for school capital planning.

This audit was performed to a reasonable level of assurance in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3001—Direct Engagements set out by the Chartered Professional Accountants of Canada (CPA Canada) in the CPA Canada Handbook — Assurance; and sections 18 and 21 of the *Auditor General Act*.

We apply the Canadian Standard on Quality Management 1 (CSQM 1), and we have complied with the independence and other ethical requirements of the Code of Professional Conduct of the Chartered Professional Accountants of Nova Scotia.

The objectives and criteria used in the audit are below:

### Objective:

To determine whether the Department of Education and Early Childhood Development is making evidence-based recommendations to government when prioritizing school capital projects.

### Criteria:

1. The Department of Education and Early Childhood Development should have up to date information on the condition of school buildings.
2. The Department of Education and Early Childhood Development should have accurate and up to date information on enrolment projections.
3. Education entities should have consistent information sources and processes for making school capital planning decisions.
4. Projects should be submitted by education entities to the Department of Education and Early Childhood Development in a consistent format and be supported by evidence of need.
5. Projects submitted by education entities to the Department of Education and Early Childhood Development should be evaluated by the Department using appropriate evidence-based criteria.
6. Projects recommended by the Department of Education and Early Childhood Development to government should be supported by evidence of need, with sufficient information provided to allow Executive Council to make informed decisions.

Generally accepted criteria consistent with the objectives of the audit did not exist. Audit criteria were developed specifically for this engagement. Criteria were accepted as appropriate by senior management at the Department of Education and Early Childhood Development.

Our audit approach included reviewing relevant legislation, policies, procedures, and processes; interviews at the Department of Education and Early Childhood Development; and examination of submissions from education entities (RCEs/CSAP), information in the enrolment projections system, heat maps, facility condition assessment documentation and submissions from the Department of Education and Early Childhood Development to the Executive Council and/or its committee the Treasury and Policy Board. Our audit period was from September 1, 2022 to September 30, 2024. We examined information outside of that period as necessary.

We believe the evidence we have obtained is sufficient and appropriate to provide the basis for our conclusions. Our report is dated June 12, 2025 in Halifax, Nova Scotia.



Based on the reasonable assurance procedures performed and evidence obtained we have formed the following conclusions:

The Department is not making recommendations clearly supported by evidence when prioritizing new growth schools and improvements needed for replacement schools and major renovations.

- 21% of school facilities in Nova Scotia have not had a Facility Condition Assessment within the last five years as required.
- Enrolment projections appear to be reasonable, are based on relevant inputs and use annually updated enrolment information.
- RCEs/CSAP have consistent processes for making school capital planning decisions and submissions to the Department for replacement schools and major renovations.
- RCEs submitted appropriate supporting documentation with school capital requests for replacement schools and major renovations. Submissions are not required from RCEs/CSAP for new growth schools.
- Replacement schools and major renovation projects submitted by RCEs to the Department are categorized consistently. However, the scoring documentation lacks detail, and projects are not ranked in order of priority. New growth school projects are not scored by the Department.
- The Department is not making recommendations with sufficient supporting evidence to support requests for new growth schools as there was no clear evidence showing the effect of new housing developments on the capacity of schools in the related communities.

## Appendix II

### Capital Proposal Evaluation Matrix

Criteria	Low	Medium	High
<b>Code or Regulatory</b>	There are no/minimal code and regulatory concerns or health and safety concerns can be effectively mitigated.	There are moderate code and regulatory concerns that will require medium to long-term mitigation. Health and safety concerns are anticipated to increase over time, but are being managed in the near term.	There are significant code and regulatory concerns that require action through a capital project within the next four years.
<b>Capacity and Growth</b>	There are no capacity and growth issues. The existing space will be sufficient to meet community needs for the foreseeable future.	Existing capacity is sufficient to community needs, but future growth may exceed school capacity which may be mitigated through portable or modular planning.	There is currently insufficient capacity to support student enrollment.
<b>Programming</b>	The current school space meets the programming needs of the school community.	School facility does not have dedicated space to optimally support the Public School Program (Music, Physical Education, etc.). School facility does not have a cafeteria.	School facility does not have the capacity to meet Class Cap Requirements or provide dedicated Learning Center spaces.
<b>Age/Condition of Building</b>	Objectively in good condition (generally based on FCI score and age).	Objectively in fair condition (generally based on FCI score and age).	Objectively in poor condition (generally based on FCI score and age).
<b>Cost/Benefit</b>	<p>The school construction or renovation project is costly and significant value to the students/community does not exist.</p> <p>An alternative solution exists (such as Capital Repairs).</p>	<p>The school construction or renovation project is expensive but addresses a critical need.</p> <p>An alternative solution may be possible (such as Capital Repairs) or any alternative would have a moderately negative impact the community.</p>	<p>The school construction or renovation project is relatively inexpensive, given the value added to the students/community.</p> <p>No alternative solution exists (such as Capital Repairs) or any viable alternative would have a damaging impact on the community.</p>
<b>Risk of Not Moving Forward</b>	There is minimal risk to student learning in not moving forward. Existing concerns can be effectively mitigated with alternate solutions.	There is an ongoing cost to not moving forward. While there may not be an immediate need to address the concern, a solution is required in the medium to long-term to ensure students continue receiving public education programming in effective built learning environments.	There is considerable risk to student learning in not moving forward. Existing concerns cannot be effectively mitigated in the near term. The concern must be addressed as soon as possible.

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