

2022

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

**Follow-up of 2017, 2018, and 2019
Performance Audit
Recommendations**



Performance Report
Independence • Integrity • Impact

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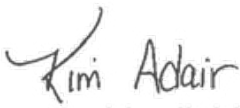
April 26, 2022

Honourable Keith Bain
Speaker
House of Assembly
Province of Nova Scotia

Dear Sir:

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,

A handwritten signature in black ink that reads 'Kim Adair'.

Kim Adair, FCPA, FCA, ICD.D


Auditor General of Nova Scotia

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Chapter 1

Overview of Follow-up of 2017, 2018, and 2019 Performance Audit Recommendations



Overall Results

- 91% of 2017 recommendations completed; four recommendations from three audits are not completed
- 90% of 2018 recommendations completed; six recommendations from two audits are not completed
- 57% of 2019 recommendations completed; 20 recommendations from five audits are not completed

Why We Follow up on Recommendations

- Risks remain when government does not complete the recommendations they committed to implementing
- This report is a tool for the Public Accounts Committee, the House of Assembly, and the public to hold government accountable
- Appendix II highlights some questions which may assist with holding government accountable for not completed recommendations

What We Found

November 1, 2017: Climate Change Management

- 67% of the recommendations have been completed
- Environment and Climate Change has not completed the recommendation to:
 - regularly review its rating of climate change risks to determine if the ratings have changed and identify any new actions required to address the changes

November 22, 2017: Mental Health Services

- 94% of the recommendations have been completed
- The Nova Scotia Health Authority has not completed the recommendation to:
 - implement the emergency department safety recommendations identified in the January 2017 Improving Workplace Safety report as accepted by government

November 22, 2017: Managing Home Care Support Contracts

- 83% of recommendations have been completed
- The Nova Scotia Health Authority has not completed the recommendation to:
 - maintain an integrated record of home support complaints received, including their outcome
- Seniors and Long-term Care has not completed the recommendation to:
 - put a process in place to verify the accuracy of reporting from home support providers

May 2018: Grant Programs

- 58% of the recommendations have been completed
- Three departments have not completed five recommendations, including:
 - developing a framework to provide guidance to public sector entities on best practices for grant program design
 - establishing performance indicators
 - developing monitoring processes for grants

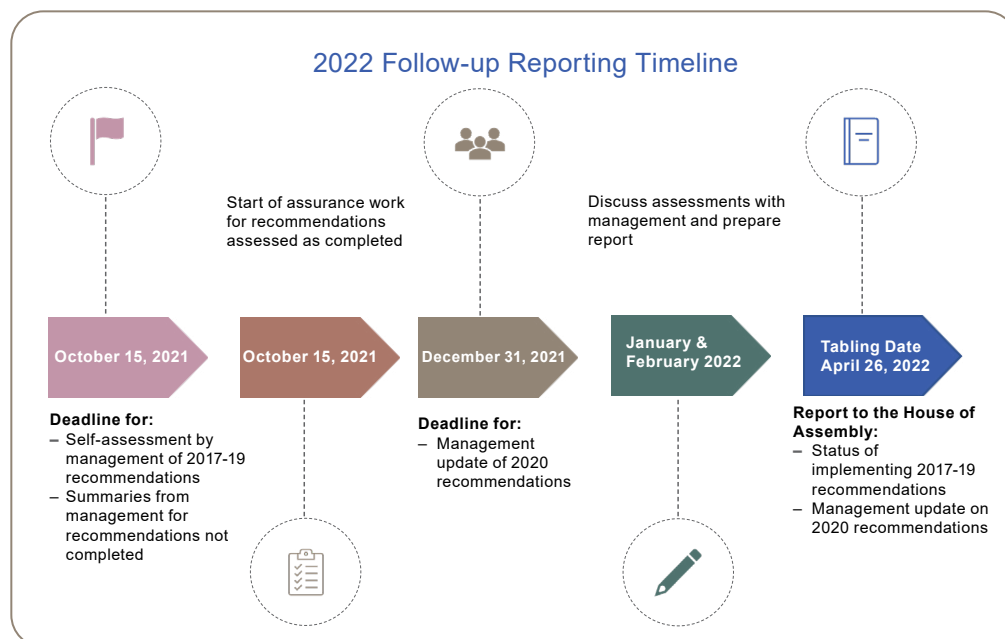
Organization and Audit Title	Recommendations			
	Total	Not Completed	Completed	
Agriculture				
May 2018 – Chapter 1: Grant Programs	3	0	3	100%
May 2019 – Chapter 1: Diversity and Inclusion in the Public Service	3	2	1	33%
Communities, Culture, Tourism and Heritage				
May 2018 – Chapter 1: Grant Programs	4	3	1	25%
Community Services				
May 2019 – Chapter 1: Diversity and Inclusion in the Public Service	3	1	2	67%
Environment and Climate Change				
November 1, 2017 – Chapter 3: Climate Change Management	3	1	2	67%
November 1, 2017 – Chapter 4: Environmental Assessments	7	0	7	100%
Finance and Treasury Board				
May 2018 – Chapter 1: Grant Programs	1	1	0	0%
Health and Wellness				
November 22, 2017 – Chapter 1: Family Doctor Resourcing	4	0	4	100%
December 2018 – Chapter 1: Management and Oversight of Health Sector Information Technology	5	0	5	100%
IWK Health Centre				
November 22, 2017 – Chapter 2: Mental Health Services	4	0	4	100%
December 2018 – Chapter 1: Management and Oversight of Health Sector Information Technology	5	0	5	100%
December 2018 – Chapter 2: IWK Health Centre: Financial Management Controls and Governance	8	0	8	100%
Justice				
May 2018 – Chapter 2: Correctional Facilities	12	1	11	92%
May 2018 – Chapter 3: Maintenance Enforcement Program	6	0	6	100%
May 2019 – Chapter 1: Diversity and Inclusion in the Public Service	3	1	2	67%
Natural Resources and Renewables				
May 2018 – Chapter 1: Grant Programs	4	1	3	75%
Nova Scotia Health Authority				
November 22, 2017 – Chapter 1: Family Doctor Resourcing	5	0	5	100%
November 22, 2017 – Chapter 2: Mental Health Services	9	1	8	89%
November 22, 2017 – Chapter 3: Managing Home Care Support Contracts	5	1	4	80%
December 2018 – Chapter 1: Management and Oversight of Health Sector Information Technology	6	0	6	100%
Office of Mental Health and Addictions				
November 22, 2017 – Chapter 2: Mental Health Services	3	0	3	100%
Office of Regulatory Affairs and Service Effectiveness				
December 2019 – Chapter 1: Reducing Regulatory Burden	1	0	1	100%
Public Service Commission				
May 2019 – Chapter 1: Diversity and Inclusion in the Public Service	7	5	2	29%

Organization and Audit Title	Recommendations			
	Total	Not Completed	Completed	
Public Works				
May 2019 – Chapter 2: Selection and Quality Management of Bridge Projects in Central and Western Districts	7	6	1	14%
December 2019 – Chapter 2: QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre	5	2	3	60%
Seniors and Long-term Care				
November 22, 2017 – Chapter 3: Managing Home Care Support Contracts	7	1	6	86%
Service Nova Scotia and Internal Services				
December 2018 – Chapter 1: Management and Oversight of Health Sector Information Technology	5	0	5	100%
January 2019 – Information Access and Privacy Information Technology	5	2	3	60%
Workers' Compensation Board				
December 2018 – Chapter 3: Workers' Compensation Board: Governance and Long-term Sustainability	3	0	3	100%
May 2019 – Chapter 3: Workers' Compensation Board: Claims Management	12	1	11	92%

1 Overview of Follow-up of 2017, 2018, and 2019 Performance Audit Recommendations

Report Overview

- 1.1 Our Office conducts audits to provide practical and constructive advice to improve government performance. We assess government's implementation of our audit recommendations after two years. A description of our engagement and overall conclusion are provided in Appendix I.
- 1.2 The following timeline shows the key dates of this year's assurance process.



- 1.3 Risks remain when government does not complete the recommendations they committed to implementing. This report provides assurance that recommendations assessed as completed are accurately stated as of October 15, 2021. We do not provide any assurance on recommendations management has assessed as not completed, and we did not perform any procedures to verify the accuracy of their progress to date as reported. The information in this report is a tool for the Public Accounts Committee, the House of Assembly, and the public to hold government accountable.
- 1.4 The Province of Nova Scotia's *Auditor General Performance Audit Policy* states that the generally accepted timeframe for completion of agreed-upon Auditor General recommendations is two years. Government agreed to our recommendations and made a commitment to complete them.
- 1.5 For our 2017 audits, 43 of 47 recommendations (91%) are completed after four years. For our 2018 audits, 56 of 62 recommendations (90%) are completed



after three years. For our 2019 audits, 26 of 46 recommendations (57%) are completed after two years.

1.6 Key factors that can help increase government completion rates include:

- communicating that addressing our audit recommendations is important
- establishing clear objectives and accountability at an appropriate level within the organization
- developing action plans and tracking progress

1.7 In the chapters that follow, we discuss the results by year and the risks organizations may face due to recommendations not being completed. For additional information, refer to Appendix III for the Implementation Status by Recommendation.

Management-prepared Summaries

- 1.8 Appendix IV provides management-prepared summaries for recommendations from 2017, 2018, and 2019 assessed as not completed as of October 15, 2021. We provide no assurance and have not conducted any work on these management-prepared summaries. They are presented for information purposes only.
- 1.9 Management also prepared the summaries for recommendations made in 2020. These can be found in Appendix V. We provide no assurance and have not conducted any work on these management responses. They are presented for information purposes only.
- 1.10 We encourage government, audit committees, and others responsible for oversight to continue addressing our recommendations and to publicly report on progress. Regular public reporting will assist the Public Accounts Committee, the House of Assembly, and the public to hold government accountable for the timely completion of our recommendations.

Chapter 2

2017 Performance Audit Recommendations

Overall Results

- 2017: Government completed 91% (43 of 47) of the recommendations after four years
- Four recommendations from the audits of Climate Change Management, Mental Health Services, and Managing Home Care Support Contracts are not completed

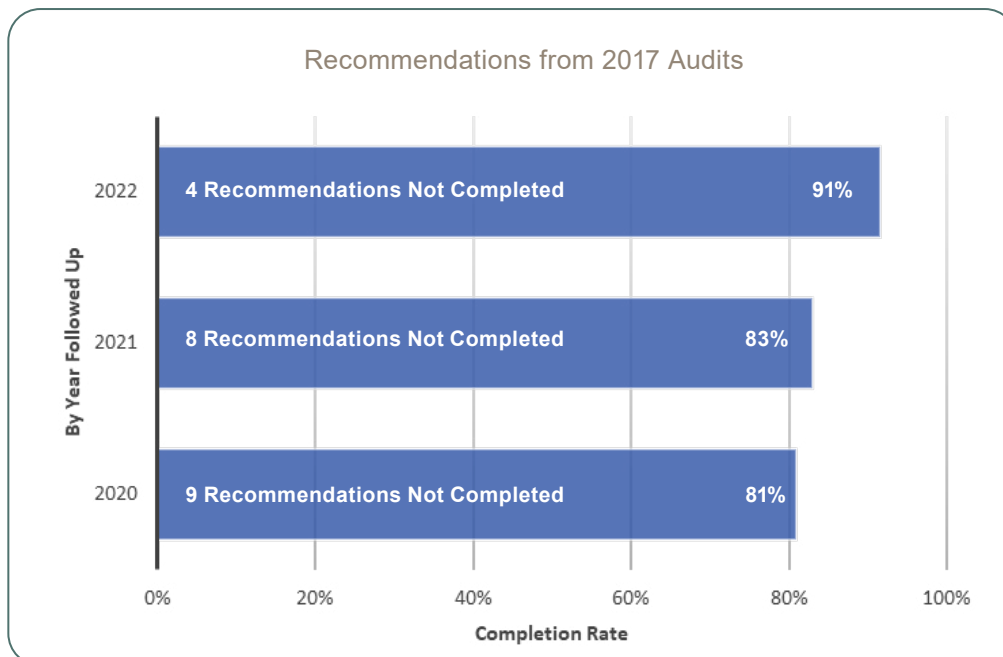
47 recommendations across six organization – 91% completed

Report and Audit Title	Recommendations			
	Total	Not Completed	Completed	
November 1, 2017				
Climate Change Management	3	1	2	67%
Environmental Assessments	7	0	7	100%
November 22, 2017				
Family Doctor Resourcing	9	0	9	100%
Mental Health Services	16	1	15	94%
Managing Home Care Support Contracts	12	2	10	83%
Total	47	4	43	91%

2 2017 Performance Audit Recommendations

Overall Observations

2.1 The overall completion rate for recommendations from 2017 is 91% per cent.



2.2 Government accepted all recommendations from our 2017 audit reports. This is the last year we will regularly follow up on recommendations from 2017, so it is important to highlight the recommendations which remain not completed. We provide information below on the four recommendations that remain not completed after four years to assist the Public Accounts Committee, the House of Assembly, and the public to continue to hold government accountable to complete these recommendations.

Audits with All Recommendations Completed

2.3 Recommendations from the following audits have been fully completed:

- Environment and Climate Change completed all seven recommendations from the November 1, 2017 audit of Environmental Assessments.
- Health and Wellness and the Nova Scotia Health Authority completed all nine recommendations from the November 22, 2017 audit of Family Doctor Resourcing.

Audits with Recommendations Not Completed

- 2.4 We provide additional information in the following paragraphs for recommendations from audits that have not been fully completed and the risks that remain.

Audit Title	% Completed	Recommendations Not Completed
November 1, 2017: Climate Change Management	67%	1
November 22, 2017: Mental Health Services	94%	1
November 22, 2017: Managing Home Care Support Contracts	83%	2

November 1, 2017: Climate Change Management

- 2.5 Environment and Climate Change has completed 67 per cent (two of three) of the recommendations from the 2017 audit of Climate Change Management.
- 2.6 Environment and Climate Change has not completed one recommendation to:
- regularly review its rating of climate change risks to determine if the ratings have changed and identify any new actions required to address the changes
- 2.7 Our 2017 audit found that Environment did not periodically review the 2005 climate change risk assessment to see if changes to the risk rankings were needed. In 2017, staff told us, although the risks would not change over time, their likelihood and harmful effects may have changed over the 12 years since the assessment was done. Lower-rated risks, such as impacts on domestic water supplies, may now be a greater risk for Nova Scotia and need more attention. Good risk assessment practice includes periodic review of risks to determine if anything has changed or needs more attention.
- 2.8 In its response in the original audit report, management said it would review the ranking of climate change risks every five years and that the initial review would be completed by 2019.
- 2.9 In its October 15, 2021 summary, management said it was committed to reviewing the ranking of climate change risks and that work is underway and is expected to be completed in March of 2022. (Refer to Appendix IV for management's full response).
- 2.10 By not completing this recommendation, there is a risk that Environment and Climate Change is not considering whether changes to risk ratings that may result in certain areas needing more attention are required.

November 22, 2017: Mental Health Services

- 2.11 Collectively, 94 per cent (15 of 16) of the recommendations from the 2017 audit of Mental Health Services have been completed. While the IWK Health

Centre and the Office of Mental Health and Addictions (formerly Health and Wellness) have completed their recommendations, the Nova Scotia Health Authority has not completed one recommendation.

2.12 The Nova Scotia Health Authority has not completed one recommendation to:

- implement the emergency department safety recommendations identified in the January 2017 Improving Workplace Safety report as accepted by government

2.13 Our 2017 audit reported that after an incident at a community hospital in October 2016, a working group was formed to develop recommendations on emergency department safety in community hospitals. The working group made 12 recommendations in January 2017 which were accepted by government, including recommending facility risk assessments to determine the number of security personnel needed in emergency departments, the level of training each employee needs, and a review of restraint policies by the health authority. All recommendations had deadlines for implementation, and the Department of Health and Wellness required annual reporting on progress, with the first report due in January 2018.

2.14 In its response in the original audit report, management told us a comprehensive *Violence in the Workplace* policy and program had been implemented, including conducting risk assessments in the community emergency departments. Management said the Health Authority was to submit the first report to the Department of Health and Wellness by December 31, 2017 identifying progress made on the recommendations from the working group.

2.15 In its October 15, 2021 summary, management said that all recommendations from the working group report have been implemented except for the requirement to conduct Non Violent Crisis Intervention Training. Management indicated training is ongoing, with an estimated completion date of sometime in 2022. (Refer to Appendix IV for management's full response).

2.16 By not completing this recommendation, there is a risk that the identified emergency department safety issues may not be addressed.

November 22, 2017: Managing Home Care Support Contracts

2.17 The Nova Scotia Health Authority and the Department of Seniors and Long-term Care (formerly Health and Wellness) have completed 83 per cent (10 of 12) of the recommendations from the 2017 audit of Managing Home Care Support Contracts.

2.18 The Nova Scotia Health Authority has not completed one recommendation to:

- maintain an integrated record of home support complaints received, including their outcome

- 2.19 Our 2017 audit found the Nova Scotia Health Authority did not have a process to monitor and track complaints. We reported that Health Authority staff told us complaints are sometimes recorded in client files. However, management could not generate lists of complaints to determine if they had been resolved, or identify ongoing issues with providers. The lack of central tracking meant it was not possible for the Health Authority to confirm that all complaints received had been investigated and resolved.
- 2.20 In its response in the original audit report management told us they would work with the Department of Health and Wellness to implement an integrated approach to handling home support complaints by April 1, 2018.
- 2.21 In its October 15, 2021 summary, management said that the Nova Scotia Health Patient Feedback Policy and Procedures became effective on September 3, 2020 and that the policy includes direction regarding complaints made about NS Health contracted providers including home care agencies. Management indicated full implementation of this policy by NS Health Continuing Care has been delayed due to the pandemic but is expected to be completed by Fall 2022. (Refer to Appendix IV for management's full response).
- 2.22 There is a risk that by not completing this recommendation, it may not be possible to confirm that complaints received have been investigated and responded to appropriately.
- 2.23 Seniors and Long-term Care has not completed one recommendation to:
 - put a process in place to verify the accuracy of reporting from home support providers. Reported hours, performance indicators, and statistical reporting should be included in the verification process
- 2.24 Our 2017 audit reported the Department did not verify the accuracy of service provider reporting against key performance indicators and statistical information submitted by service providers. Our report noted without some type of verification, providers could report favorable performance to avoid penalties, or that service providers may not calculate statistical information in accordance with department standards, resulting in inaccurate information for decision making. Our report also noted concerns with the processes for verifying the accuracy of service hours reported by service providers, creating a risk that service providers could be paid for services not provided.
- 2.25 In its response in the original audit report in 2017, management told us it formed a joint Performance Monitoring Committee with the Nova Scotia Health Authority to meet monthly to assess providers' performance. Management said in 2018/19 a process for verifying data reported from the home support providers was to be developed.
- 2.26 In its October 15, 2021 summary, management said that monthly statistics and quarterly Key Performance Indicators continue to be submitted to the Department of Seniors and Long-term Care for the provider performance review process. Management said this is still a manual process, and the needed technology improvements that will replace the manual process and improve data accuracy are not expected to be completed until 2024. (Refer to Appendix IV for management's full response).



- 2.27 There is a risk that by not completing this recommendation, providers could inaccurately report performance to avoid penalties and may not calculate statistical information in accordance with department standards, resulting in incorrect information being used for decision making.

Chapter 3

2018 Performance Audit Recommendations

Overall Results

- 2018: Government completed 90% (56 of 62) of the recommendations after three years
- Six recommendations from the audits of Grant Programs and Correctional Facilities are not completed

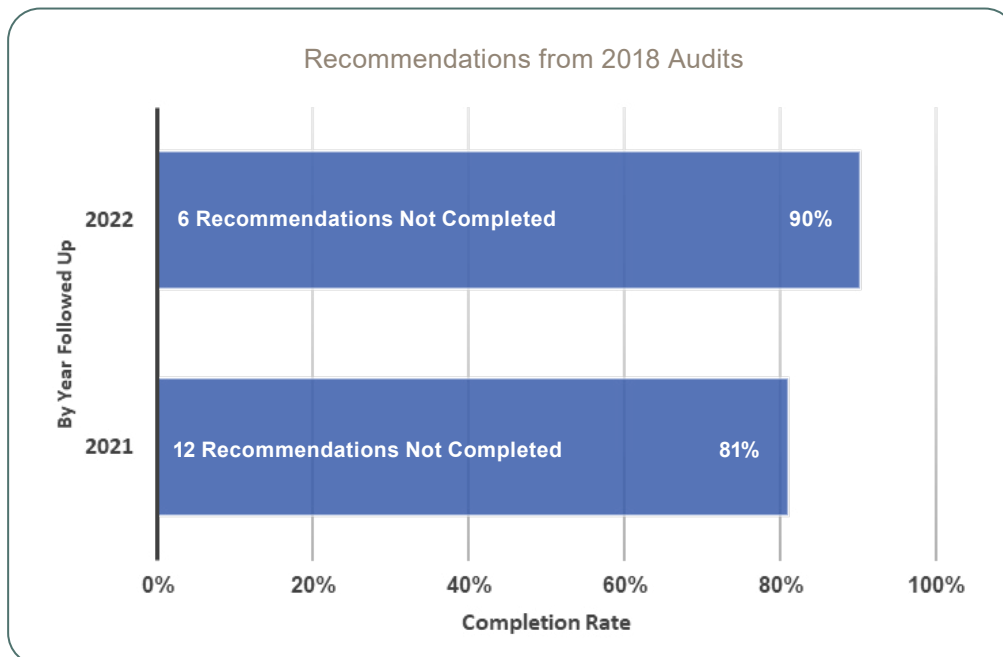
62 recommendations across 10 organization – 90% completed

Report and Audit Title	Recommendations			
	Total	Not Completed	Completed	
May 2018				
Grant Programs	12	5	7	58%
Correctional Facilities	12	1	11	92%
Maintenance Enforcement Program	6	0	6	100%
December 2018				
Management and Oversight of Health Sector Information Technology	21	0	21	100%
IWK Health Centre: Financial Management Controls and Governance	8	0	8	100%
Workers' Compensation Board: Governance and Long-term Sustainability	3	0	3	100%
Total	62	6	56	90%

3 2018 Performance Audit Recommendations

Overall Observations

3.1 The overall completion rate for recommendations from 2018 is 90 per cent.



3.2 Government accepted all recommendations from our 2018 audit reports. We continue to encourage government to continue to work to address the remaining outstanding recommendations.

Audits with All Recommendations Completed

3.3 Recommendations from the following audits have been fully completed:

- The Department of Justice completed all six recommendations from the May 2018 Maintenance Enforcement Program audit.
- The Department of Health and Wellness, the IWK Health Centre, the Nova Scotia Health Authority, and the Department of Service Nova Scotia and Internal Services completed all 21 recommendations from the December 2018 Management and Oversight of Health Sector Information Technology audit.
- The IWK Health Centre completed all eight recommendations from the December 2018 Financial Management Controls and Governance audit.

- The Workers' Compensation Board completed all three recommendations from the December 2018 Workers' Compensation Board Governance and Long-term Sustainability audit.

Audits with Recommendations Not Completed

- 3.4 We provide additional information in the following paragraphs for recommendations from audits that have not been fully completed and the risks that remain.

Audit Title	% Completed	Recommendations Not Completed
May 2018: Grant Programs	58%	5
May 2018: Correctional Facilities	92%	1

May 2018: Grant Programs

- 3.5 Collectively, 58 per cent (7 of 12) of the recommendations from the 2018 audit of Grant Programs have been completed. While the Department of Agriculture has completed its recommendations, the Departments of Communities, Culture, Tourism and Heritage; Finance and Treasury Board; and Natural Resources and Renewables have not completed five recommendations.
- 3.6 The Department of Communities, Culture, Tourism and Heritage and the Department of Natural Resources and Renewables have not completed the recommendation to:
- develop a comprehensive risk analysis and use this to assess the design of all grant programs
- 3.7 By not completing this recommendation, there may not be consistent approaches to grant program design that are in line with best practices.
- 3.8 The Department of Communities, Culture, Tourism and Heritage has also not completed two recommendations to:
- establish performance indicators, measure performance, and regularly evaluate grant programs
 - develop monitoring processes for grant management to ensure required controls are followed for each stage of the grant process
- 3.9 By not completing these recommendations, there is a risk that grant programs may not meet goals and objectives, or that grant programs may not be monitored to ensure all necessary steps have occurred for each stage of the grant process.
- 3.10 The Department of Finance and Treasury Board has not completed the recommendation to:

- develop a framework in consultation with the Executive Council Office to provide guidance to public sector entities on best practices for grant program design, administration, and monitoring of compliance at a program design level
- 3.11 By not completing this recommendation there is a risk that public sector entities may not use a consistent approach to grant program design, that applicants may not be treated consistently, and that risks to the Province may not be appropriately considered and addressed.

May 2018: Correctional Facilities

- 3.12 The Department of Justice has completed 92 per cent (11 of 12) of the recommendations from the 2018 audit of Correctional Facilities. Justice has not completed one recommendation to:
- complete a review of all correctional facilities to identify staff who have not completed or recertified required training and ensure required training is completed
- 3.13 By not completing this recommendation, there is a risk that correctional facility staff may not have the training or recertifications required to ensure the safety of both staff and offenders and the security of the facility.

December 2018: IWK Health Centre: Financial Management Controls and Governance

- 3.14 The IWK Health Centre has completed 100 per cent (eight of eight) of the recommendations from the 2018 audit of Financial Management Controls and Governance.
- 3.15 We have removed two recommendations to the IWK Health Centre and Board of Directors from the statistics in this report. The two recommendations relate to internal control design, documentation, implementation, monitoring, and related reporting. Since these two recommendations relate to financial controls, we will be assessing them through work we will complete during our 2021-22 financial statement audit of the IWK Health Centre, and we will report on the progress toward addressing these recommendations in our Fall 2022 Financial report on the results of our financial audit work.
- 3.16 The two recommendations were for:
- The IWK Health Centre to complete a risk-based evaluation of its internal controls. Management should design, document, and implement appropriate internal controls and monitor to ensure the controls are operating effectively on a regular basis
 - The IWK Board of Directors to oversee the development and implementation of internal controls and receive regular reporting on the effectiveness of internal controls

Management Summaries for Recommendations Not Completed

- 3.17 We have included management summaries related to recommendations not completed as of October 15, 2021 in Appendix IV. We provide no assurance and have not conducted any work on these management-provided summaries. They are presented for information purposes only.

Chapter 4

2019 Performance Audit Recommendations

Overall Results

- 2019: Government completed 57% (26 of 46) of the recommendations after two years
- Twenty recommendations from the audits of Information Access and Privacy Information Technology, Diversity and Inclusion in the Public Service, Selection and Quality Management of Bridge Projects in Central and Western Districts, Workers' Compensation Board: Claims Management, and QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre are not completed

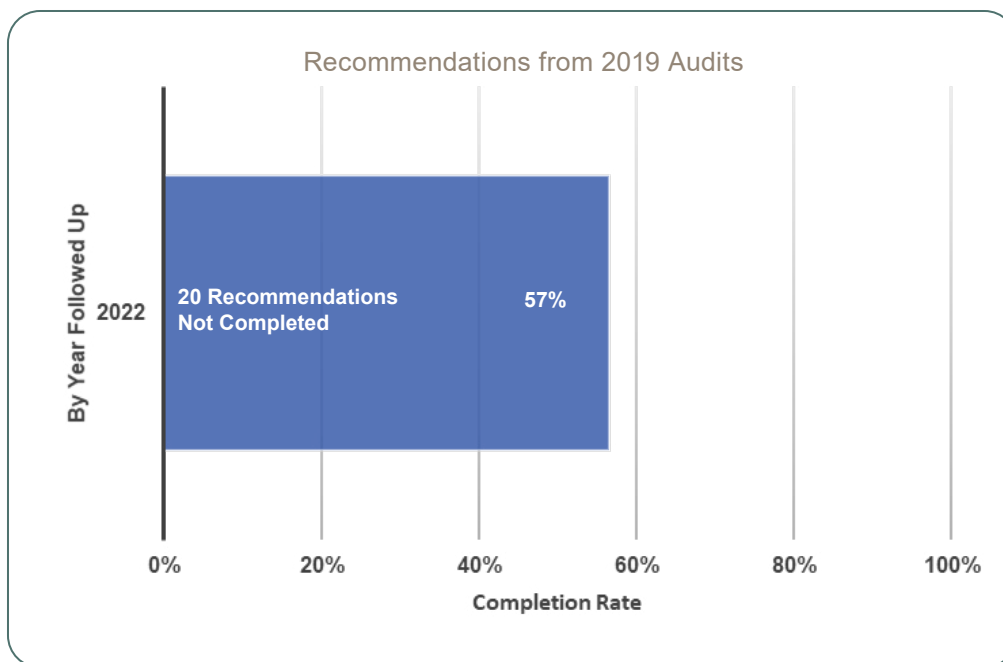
46 recommendations across eight organization – 57% completed

Report and Audit Title	Recommendations			
	Total	Not Completed	Completed	
January 2019				
Information Access and Privacy Information Technology	5	2	3	60%
May 2019				
Diversity and Inclusion in the Public Service	16	9	7	44%
Selection and Quality Management of Bridge Projects in Central and Western Districts	7	6	1	14%
Workers' Compensation Board: Claims Management	12	1	11	92%
December 2019				
Reducing Regulatory Burden	1	0	1	100%
QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre	5	2	3	60%
Total	46	20	26	57%

4 2019 Performance Audit Recommendations

Overall Observations

- 4.1 The overall completion rate for recommendations from 2019 is 57 per cent.



- 4.2 Government accepted all recommendations from our 2019 audit reports. For the 2019 reports the overall completion rate is 57 per cent, which is much lower than the first-year follow-up rates we reported for both the 2017 and 2018 performance audits. We encourage the Public Accounts Committee, House of Assembly, and the public to hold government accountable for the timely completion of all recommendations from 2019.

Audits with All Recommendations Completed

- 4.3 Recommendations from the following audits have been fully completed:

- The Office of Regulatory Affairs and Service Effectiveness completed its recommendation from the December 2019 audit of Reducing Regulatory Burden.

Audits with Recommendations Not Completed

- 4.4 We provide additional information in the following paragraphs for recommendations from audits that have not been fully completed and the risks that remain.

Audit Title	% Completed	Recommendations Not Completed
January 2019: Information Access and Privacy Information Technology	60%	2
May 2019: Diversity and Inclusion in the Public Service	44%	9
May 2019: Selection and Quality Management of Bridge Projects in Central and Western Districts	14%	6
May 2019: Workers' Compensation Board: Claims Management	92%	1
December 2019: QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre	60%	2

January 2019: Information Access and Privacy Information Technology

- 4.5 The Department of Service Nova Scotia and Internal Services has completed 60 per cent (three of five) of the recommendations from the January 2019 audit of Information Access and Privacy Information Technology. Service Nova Scotia and Internal Services has not completed two recommendations.
- 4.6 Service Nova Scotia and Internal Services has not completed the recommendation to:
- establish a process to ensure and document vendor compliance with contract terms at all stages of a contract
- 4.7 By not completing this recommendation, there is a risk that vendors may not comply with contract terms at all stages of the contract.
- 4.8 Service Nova Scotia and Internal Services also has not completed the recommendation to:
- conduct comprehensive risk assessments for IT projects prior to implementation
- 4.9 Our 2019 Information Access and Privacy Information Technology report examined the Freedom of Information Access website breach and highlighted that a threat risk assessment had not been completed because the project team had been informed by the Department that one was not required. Our report explained the risk of this approach and stated *“Waiting to complete a threat risk assessment at some future date, yet implementing a project without mitigating the risks of not having completed a threat risk assessment, leaves systems vulnerable. Risks around data integrity and unauthorized disclosure of personal information would be unknown.”*
- 4.10 In its response in the original audit report, management said project risk management practices including threat risk assessment and privacy risk assessment processes were and continued to be enhanced and implemented. Management said initiatives included overviews and guides describing the proper timing and execution of threat risk assessments and privacy impact assessments.

- 4.11 In its October 15, 2021 summary, management said it had implemented a security risk assessment process, including a pre-risk assessment workbook to determine the scope of required security risk assessments, and an Architecture Review Board process that ensures security risk assessment activities are conducted prior to implementation. Management also said the process they implemented allowed business owners to defer security risk assessments until after implementation for urgent projects. Management said they had recently taken steps to stop this practice, and that process improvement work is ongoing. (Refer to Appendix IV for management's full response).
- 4.12 By not completing this recommendation, there is a risk that Service Nova Scotia and Internal Services is not conducting comprehensive risk assessments for IT projects prior to implementation, which could leave systems vulnerable to risks like unauthorized disclosure of personal information.

May 2019: Diversity and Inclusion in the Public Service

- 4.13 Collectively, 44 per cent (7 of 16) of the recommendations from the 2019 audit of Diversity and Inclusion in the Public Service have been completed. The Departments of Agriculture, Community Services, Justice, and the Public Service Commission have not completed nine recommendations.
- 4.14 The Departments of Agriculture, Community Services, Justice, and the Public Service Commission have not completed the recommendation to:
- develop and implement formal processes to regularly review their human resources practises to identify and remove barriers to employment, retention, and advancement for members of the designated groups
- 4.15 By not completing this recommendation, there is a risk that human resource practices of these organizations will not identify potential barriers to employment, retention, and advancement for members of the designated groups, or that organizational resources are not focused on the areas that could have the greatest impact.
- 4.16 The Department of Agriculture has also not completed the recommendation to:
- ensure diversity and employment equity progress reports clearly assess the status of diversity and inclusion goals. These reports should also be communicated throughout the department
- 4.17 By not completing this recommendation, there is a risk that diversity and inclusion goals will not be met and that there will not be continual progress toward improving diversity and inclusion within the department.
- 4.18 The Public Service Commission has also not completed four recommendations to:

- develop and use evaluation plans for future diversity and inclusion strategies. There should be regular reporting on progress towards achieving the goals of the strategies
 - implement a process to identify, collect, and analyze data needed to assess diversity and inclusion programs and initiatives
 - implement a process to assess the effectiveness and consistent application of the Employment Equity and Respectful Workplace policies
 - evaluate how training is delivered to make it as accessible as possible to staff. Policy guidance should also be developed and include timeframes for when training should be completed and whether it needs to be retaken at regular intervals
- 4.19 By not completing these recommendations, there are risks that ongoing work may not be focused on achieving the goals of the strategy, programs and initiatives may not be meeting their intended goals, resources may not be focused on areas where they are needed the most, policy requirements may not be met, and training may not be completed or retaken as required.

May 2019: Selection and Quality Management of Bridge Projects in Central and Western Districts

- 4.20 The Department of Public Works (formerly Transportation and Infrastructure Renewal) has completed 14 per cent (one of seven) of the recommendations from the 2019 audit of the Selection and Quality Management of Bridge Projects in Central and Western Districts.
- 4.21 Public Works has not completed six recommendations to:
- review its processes and systems used to track bridge information and inspections. The Department should identify and take appropriate action to ensure information about bridges, including recommended repairs and maintenance history, is complete, accurate, and accessible
 - implement a process of using consistent criteria to assist management to determine bridge priorities at the district and provincial levels
 - complete bridge inspections as required by policy
 - implement regular monitoring of information system data, inspection results and documentation, and project files to ensure there is complete and accurate information on the condition of bridges and to monitor compliance with policies and processes

- annually review the *Project Engineer's Field Manual* and the *Standard Specification: Highway Construction and Maintenance* manual. Updates should be made as needed based on the outcome of the reviews
 - implement a process to monitor bridge-related warranties
- 4.22 By not completing these recommendations, there are risks that the Department does not have complete, accurate and accessible information about bridges including recommended repairs and maintenance history and that bridges that are the highest priority for repair or replacement may not be identified.
- 4.23 There is also a risk that bridges may not be inspected as required and that management may not have inspection data in a timely manner to support decision making and project prioritization, or safety concerns or other issues may not be identified and corrected in a timely manner. Staff may also have unclear or outdated expectations related to bridge projects.
- 4.24 Finally, there is a risk the Department may pay for repairs that a contractor should have corrected under warranty.

May 2019: Workers' Compensation Board: Claims Management

- 4.25 The Workers' Compensation Board has completed 92 per cent (11 of 12) of the recommendations from the May 2019 audit of Claims Management.
- 4.26 The Workers' Compensation Board has not completed one recommendation to:
- establish processes to ensure that appeal decisions are made within targeted timeframes, case management is clearly documented to support reasonable actions were taken to resolve the file in an efficient manner, and proper oversight exists
- 4.27 By not completing this recommendation, there is a risk that appeal decisions are not being made and communicated to workers in a timely manner and that files may not contain documentation to support the actions taken.

December 2019: QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre

- 4.28 The Department of Public Works (formerly Transportation and Infrastructure Renewal) has completed 60 per cent (three of five) of the recommendations from the 2019 audit of the QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre.
- 4.29 Public Works has not completed two recommendations to:
- implement a contract management process to fully oversee contracts related to the Halifax Infirmary Expansion and the Community

Outpatient Centre. This process should include documentation to support the oversight of the service providers

- ensure the timely signing of contracts with private sector partners that are consistent with procurement documents and contain terms to ensure the public interest is protected

4.30 By not completing these recommendations, there is a risk that weaknesses in the performance of consultants may not be identified, or that the public interest may not be protected if contracts with private sector partners are not signed in a timely basis or are not consistent with procurement documents.

Management Summaries for Recommendations Not Completed

4.31 We have included management summaries related to recommendations not completed as of October 15, 2021 in Appendix IV. We provide no assurance and have not conducted any work on these management-provided summaries. They are presented for information purposes only.

Appendix I: Limited Assurance Attestation Engagement Description and Conclusion

In February 2022, we completed an independent limited assurance attestation engagement on the status of certain audit recommendations included in the 2017, 2018, and 2019 Performance Audit Reports of the Auditor General. Our objective was to provide limited assurance, as of October 15, 2021, on those recommendations assessed as “completed” since our last follow-up report, to determine if government’s assessment was free from material misstatement. We did not perform any procedures, and provide no assurance, on recommendations noted in this report as not completed.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed.

Government organizations (departments, agencies, and boards) are responsible for assessing their status of implementing recommendations of the Auditor General. For recommendations they assessed as completed, we substantiated the assessment through interviews and examination of documentation. We evaluated the implementation status using criteria based on whether the supporting information provided by the organization addressed the audit recommendation (see Appendix III), and whether the information was relevant, complete, reliable, neutral, and understandable. Our work was based on qualitative characteristics of information as described in the CPA Canada Handbook.

For a recommendation assessed as “do not intend to implement” or “action no longer required,” we focused on the reasons why government chose not to implement the recommendation or why management believes it is no longer applicable. If the rationale appeared reasonable, we removed the recommendation from our statistics and will not conduct further follow-up work on it.

We conducted our work in accordance with the Canadian Standard on Assurance Engagements (CSAE) 3000 – Attestation Engagements Other than Audits or Reviews of Historical Financial Information set out by the Chartered Professional Accountants of Canada; and Sections 18 and 21 of the Auditor General Act. We obtained sufficient and appropriate evidence on which to base our conclusion on March 21, 2022 in Halifax, Nova Scotia.

We apply Canadian Standard on Quality Control 1 and, accordingly, maintain a comprehensive system of quality control, including documented policies and procedures regarding compliance with ethical requirements, professional standards, and applicable legal and regulatory requirements.

In conducting our work, we complied with the independence and other ethical requirements of the Code of Professional Conduct of Chartered Professional Accountants of Nova Scotia and Nova Scotia’s Code of Conduct for Public Servants.

Conclusion on completed recommendations – Based on the limited assurance procedures performed and evidence obtained, no matters have come to our attention to cause us to believe the status of the recommendations reported as completed have been materially misstated. Additional information provided in this report is not intended to take away from our overall conclusion.

Appendix II: A Tool to Hold Government Accountable

The Public Accounts Committee, the House of Assembly, and the public may wish to consider the following questions to hold government accountable for not completed recommendations.

2017 Audit Reports

November 1, 2017

Climate Change Management

1. How will Environment and Climate Change ensure it is regularly reviewing its rating of climate change risks to determine if ratings have changed and identify any new actions required to address these changes?

November 22, 2017

Mental Health Services

2. How will the Nova Scotia Health Authority ensure that all identified emergency department safety issues are addressed?

Managing Home Care Support Contracts

3. How will Seniors and Long-term Care ensure data submitted by home care providers is accurate?
4. How will the Nova Scotia Health Authority ensure it is consistently communicating complaints to Seniors and Long-term Care and that appropriate action is taken to address them?

2018 Audit Reports

May 2018

Grant Programs

5. What performance indicators does Communities, Culture, Tourism and Heritage plan to develop to regularly evaluate grant programs?
6. How will Communities, Culture, Tourism and Heritage; and Natural Resources and Renewables ensure they are regularly using a comprehensive risk analysis to aid with the design of grant programs?

Correctional Facilities

7. How will Justice make sure all correctional facility staff complete their required training and recertifications?

2019 Audit Reports

January 2019

Information Access and Privacy Information Technology

8. How many projects has Service Nova Scotia and Internal Services moved into production without completing the appropriate security risk assessments?
9. What risks are the province exposed to as a result of Service Nova Scotia and Internal Services moving some projects into production without the appropriate security risk assessments?
10. How will Service Nova Scotia and Internal Services ensure a comprehensive risk assessment is completed for IT projects prior to project implementation?
11. How will Service Nova Scotia and Internal Services ensure that vendors are complying with contract terms at all stages of the contract?

(continued)

2019 Audit Reports (continued)

May 2019

Diversity and Inclusion in the Public Service

12. How will Agriculture, Community Services and Justice work with the Public Service Commission to regularly review their human resource practices to identify and remove barriers to employment, retention, and advancement for members of designated groups?
13. How will the Public Service Commission evaluate diversity and inclusion strategies, and make sure they identify, collect, and analyze information needed to assess diversity and inclusion programs and initiatives?

Selection and Quality Management of Bridge Projects in Central and Western Districts

14. How will Public Works ensure bridges are inspected as required to determine if they are safe to use or not?
15. How will Public Works ensure that bridges are appropriately prioritized for repairs or replacements?
16. How will Public Works ensure that management has all needed information to support its decision-making process and project prioritization in a timely manner?
17. How will Public Works make sure that staff are provided with clear and up to date expectations?
18. How does Public Works intend to monitor bridge-related warranties to ensure that all required repairs are made?

Workers' Compensation Board: Claims Management

19. How will the Workers' Compensation Board ensure that appeal decisions are made within targeted timeframes and contain documentation to support the actions taken while ensuring that proper oversight exists?

December 2019

QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre

20. How will Public Works oversee the contract management process to ensure that contracts contain documentation to support the oversight of the service providers?
21. How will Public Works ensure that contracts signed with private sector partners are consistent with procurement documentation to protect the public interest?

Appendix III: Implementation Status by Recommendation

November 1, 2017 Chapter 3: Climate Change Management		
Recommendation	Organization	Status as of Oct 15, 2021
3.1 Environment should publicly report on progress in addressing climate change, including actions to adapt to expected impacts.	Environment and Climate Change	Completed
3.2 Environment should develop and publicly update plans for targeting future impacts of climate change.	Environment and Climate Change	Completed
3.3 Environment should regularly review its rating of climate change risks to determine if the ratings have changed and identify any new actions required to address the changes.	Environment and Climate Change	Not Completed

November 1, 2017 Chapter 4: Environmental Assessments		
Recommendation	Organization	Status as of Oct 15, 2021
4.1 Environment should develop and implement a process for entering approved projects and the associated terms and conditions into the Department's tracking system to help ensure regular monitoring is completed.	Environment and Climate Change	Completed
4.2 Environment should regularly review whether standard terms and conditions of approved projects are effective at addressing identified risks.	Environment and Climate Change	Completed
4.3 Environment should develop terms and conditions for approved projects in consultation with the inspectors responsible for ensuring they are met. Terms and conditions should include clear timeframes for completion and requirements to provide documentation to confirm terms and conditions have been satisfied.	Environment and Climate Change	Completed
4.4 Environment should provide relevant draft terms and conditions of approved projects that involve other departments to the respective departments for review and confirmation of their responsibility under the terms and conditions.	Environment and Climate Change	Completed
4.5 Environment should meet with project owners to discuss the terms and conditions once projects are approved. There should also be regular meetings between Nova Scotia Environment and project owners to discuss the status of terms and conditions of approved projects.	Environment and Climate Change	Completed
4.6 Environment should document and implement a process for using government reviewers on environmental assessment applications. The process should include how reviewers are selected, the Department's expectations of reviewers and a follow-up process if responses are not provided by the deadline.	Environment and Climate Change	Completed
4.7 Environment should complete and document a review of information sent to the Minister of Environment for deciding on whether to approve or reject a project.	Environment and Climate Change	Completed

(continued)

November 22, 2017 Chapter 1: Family Doctor Resourcing		
Recommendation	Organization	Status as of Oct 15, 2021
1.1 The Department of Health and Wellness and the Nova Scotia Health Authority should implement a communications plan to inform Nova Scotians about planned changes to primary care access and service delivery.	Health and Wellness	Completed
	Nova Scotia Health Authority	Completed
1.2 The Department of Health and Wellness and the Nova Scotia Health Authority should update their websites to have consistent and clear information for Nova Scotians on planned changes to primary care service delivery.	Health and Wellness	Completed
	Nova Scotia Health Authority	Completed
1.3 The Department of Health and Wellness and the Nova Scotia Health Authority should develop a process to identify and assist Nova Scotians with serious health conditions who do not have a family doctor.	Health and Wellness	Completed
	Nova Scotia Health Authority	Completed
1.4 The Nova Scotia Health Authority should define and measure performance indicators for its physician recruitment strategy and report regularly to its board of directors on the indicators.	Nova Scotia Health Authority	Completed
1.5 The Department of Health and Wellness and the Nova Scotia Health Authority should review the physician incentive programs for potential administrative efficiencies, guided by what best supports the recruitment process.	Health and Wellness	Completed
	Nova Scotia Health Authority	Completed

November 22, 2017 Chapter 2: Mental Health Services		
Recommendation	Organization	Status as of Oct 15, 2021
2.1 The Nova Scotia Health Authority should ensure mental health services delivery plans are completed and implemented as scheduled.	Nova Scotia Health Authority	Completed
2.2 The Nova Scotia Health Authority should ensure there is a well-defined, evidence-based model of care for mental health services, including an evaluation process.	Nova Scotia Health Authority	Completed
2.3 The Department of Health and Wellness, the Nova Scotia Health Authority, and the IWK should determine and clarify wait times standards for initial and subsequent appointments, and evaluate and report on both standards based on defined triage categories.	IWK Health Centre	Completed
	Nova Scotia Health Authority	Completed
	Office of Mental Health and Addictions	Completed
2.4 As part of health services planning, the Nova Scotia Health Authority should assess emergency department access to crisis services and psychiatry support, and consider cost-benefit, patient-focus, and alternative service delivery models to increase availability if required.	Nova Scotia Health Authority	Completed

(continued)

November 22, 2017 Chapter 2: Mental Health Services (continued)		
Recommendation	Organization	Status as of Oct 15, 2021
2.5 The Nova Scotia Health Authority, in collaboration with the IWK, as required, should finalize policies for emergency mental health services, and reflect a provincial approach to service delivery.	IWK Health Centre	Completed
	Nova Scotia Health Authority	Completed
2.6 The Nova Scotia Health Authority should implement the emergency department safety recommendations identified in the January 2017 Improving Workplace Safety report as accepted by government.	Nova Scotia Health Authority	Not Completed
2.7 The Department of Health and Wellness, in consultation with the Nova Scotia Health Authority and the IWK, should determine and communicate whether implementation of the remaining ten strategy items is appropriate and consistent with current plans, and if so, when action can be expected.	IWK Health Centre	Completed
	Nova Scotia Health Authority	Completed
	Office of Mental Health and Addictions	Completed
2.8 The Department of Health and Wellness, in consultation with the Nova Scotia Health Authority and the IWK, should complete a final evaluation of the Together We Can strategy.	IWK Health Centre	Completed
	Nova Scotia Health Authority	Completed
	Office of Mental Health and Addictions	Completed
2.9 The Nova Scotia Health Authority should ensure funding to programs and services is allocated based on service delivery plans, and include accountability requirements for the performance of funded programs and services.	Nova Scotia Health Authority	Completed

November 22, 2017 Chapter 3: Managing Home Care Support Contracts		
Recommendation	Organization	Status as of Oct 15, 2021
3.1 The Department of Health and Wellness and the Nova Scotia Health Authority should establish processes to complete all recommendations made by the Office of the Auditor General.	Nova Scotia Health Authority	Completed
	Seniors and Long-term Care	Completed
3.2 The Department of Health and Wellness and the Nova Scotia Health Authority should put a process in place to verify the accuracy of reporting from home support providers. Reported hours, performance indicators, and statistical reporting should be included in the verification process.	Nova Scotia Health Authority	Completed
	Seniors and Long-term Care	Not Completed
3.3 The Department of Health and Wellness should rely on the user fee amount as reported in audited financial statements when completing the annual reconciliation, or verify the accuracy of provider-reported user fees using another process.	Seniors and Long-term Care	Completed

(continued)

November 22, 2017		
Chapter 3: Managing Home Care Support Contracts (continued)		
Recommendation	Organization	Status as of Oct 15, 2021
3.4 The Department of Health and Wellness and the Nova Scotia Health Authority should monitor home support provider compliance with contract terms and performance issues on a regular basis.	Nova Scotia Health Authority	Completed
	Seniors and Long-term Care	Completed
3.5 The Department of Health and Wellness and the Nova Scotia Health Authority should maintain an integrated record of home support complaints received, including their outcome.	Nova Scotia Health Authority	Not Completed
	Seniors and Long-term Care	Completed
3.6 The Department of Health and Wellness and the Nova Scotia Health Authority should regularly monitor and evaluate service provider performance using the key performance indicators.	Nova Scotia Health Authority	Completed
	Seniors and Long-term Care	Completed
3.7 The Department of Health and Wellness should regularly monitor whether the Nova Scotia Health Authority is meeting its home care responsibilities.	Seniors and Long-term Care	Completed

May 2018		
Chapter 1: Grant Programs		
Recommendation	Organization	Status as of Oct 15, 2021
1.1 The Department of Finance and Treasury Board, in consultation with the Executive Council Office, should develop a framework to provide guidance to public sector entities on best practices for grant program design, administration, and monitoring of compliance at a program design level.	Finance and Treasury Board	Not Completed
1.2 The Departments of Agriculture; Communities, Culture and Heritage; and Natural Resources should establish performance indicators, measure performance, and regularly evaluate grant programs.	Agriculture	Completed
	Communities, Culture, Tourism and Heritage	Not Completed
	Natural Resources and Renewables	Completed
1.3 The Departments of Agriculture; Communities, Culture and Heritage; and Natural Resources should develop a comprehensive risk analysis and use this to assess the design of all grant programs.	Agriculture	Completed
	Communities, Culture, Tourism and Heritage	Not Completed
	Natural Resources and Renewables	Not Completed
1.4 The Departments of Agriculture; Communities, Culture and Heritage; and Natural Resources should develop monitoring processes for grant management to ensure required controls are followed for each stage of the grant process.	Agriculture	Completed
	Communities, Culture, Tourism and Heritage	Not Completed
	Natural Resources and Renewables	Completed

(continued)

May 2018 Chapter 1: Grant Programs (continued)		
Recommendation	Organization	Status as of Oct 15, 2021
1.5 The Department of Natural Resources should establish a signed agreement with clear performance expectations, reporting requirements, and conflict of interest guidelines when using third-party administration for grant programs.	Natural Resources and Renewables	Completed
1.6 The Department of Communities, Culture and Heritage should develop documentation and retention standards for discretionary grants.	Communities, Culture, Tourism and Heritage	Completed

May 2018 Chapter 2: Correctional Facilities		
Recommendation	Organization	Status as of Oct 15, 2021
2.1 The Department of Justice should compile all the elements of a comprehensive risk assessment framework for provincial correctional facilities, including how identified risks are to be managed.	Justice	Completed
2.2 The Department of Justice should develop and implement a performance management framework, including a quality assurance process, to assess the performance of provincial correctional facilities.	Justice	Completed
2.3 The Department of Justice should complete a review of all correctional facilities to identify staff who have not completed or recertified required training and ensure required training is completed.	Justice	Not Completed
2.4 The Department of Justice should complete annual performance evaluations for all correctional officers.	Justice	Completed
2.5 The Department of Justice should ensure hiring processes are consistently applied to all job competitions at correctional facilities and supporting documentation is maintained.	Justice	Completed
2.6 The Department of Justice should develop and implement a consistent volunteer policy that requires comprehensive screening of volunteers before they are permitted within provincial correctional facilities. The screening process should outline the required background checks and required frequency for updates.	Justice	Completed
2.7 The Department of Justice should ensure close confinement is properly approved, including explanation for confinement; all reviews are done as required by policy; and that access to recreation and showers is provided and documented.	Justice	Completed
2.8 The Department of Justice should work with the Nova Scotia Health Authority to ensure documentation to support confining offenders for medical reasons is maintained in correctional facility files.	Justice	Completed

(continued)

May 2018 Chapter 2: Correctional Facilities (continued)		
Recommendation	Organization	Status as of Oct 15, 2021
2.9 The Department of Justice should ensure correctional officer duties, such as the completion of rounds and searches, are completed as required and adequate documentation is maintained to show they have occurred.	Justice	Completed
2.10 The Department of Justice should explore options with relevant parties within the larger justice system to ensure system-wide implications of intermittent sentences are understood and identify possible solutions for managing these offenders within correctional facilities.	Justice	Completed
2.11 The Department of Justice should ensure health admission forms and institutional security assessments are completed for all offenders every time they are admitted to a provincial correctional facility.	Justice	Completed
2.12 The Department of Justice should ensure offender medical history is reviewed prior to planned use of force incidents and that documentation to indicate if an offender received injuries when force was applied is maintained.	Justice	Completed

May 2018 Chapter 3: Maintenance Enforcement Program		
Recommendation	Organization	Status as of Oct 15, 2021
3.1 The Maintenance Enforcement Program should develop and implement a policy to guide staff on how to monitor inactive cases.	Justice	Completed
3.2 The Maintenance Enforcement Program should conduct quality assurance reviews and update the quality assurance policy to include a requirement for the number and frequency of reviews.	Justice	Completed
3.3 The Maintenance Enforcement Program should develop and implement a process for management to regularly monitor caseloads to ensure required work is done.	Justice	Completed
3.4 The Maintenance Enforcement Program should set standard response times for complaints. All complaints should be documented, and a regular analysis completed to identify and address common themes and underlying issues.	Justice	Completed
3.5 The Maintenance Enforcement Program should develop and implement an orientation process for new staff and a training program for all staff.	Justice	Completed
3.6 The Maintenance Enforcement Program should implement an annual performance management process for all staff.	Justice	Completed

(continued)

December 2018 Chapter 1: Management and Oversight of Health Sector Information Technology		
Recommendation	Organization	Status as of Oct 15, 2021
1.1 The Department of Health and Wellness, Department of Internal Services, IWK Health Centre, and Nova Scotia Health Authority should finalize agreements related to information technology services in the health sector, including the roles and accountabilities of each entity.	Health and Wellness	Completed
	IWK Health Centre	Completed
	Nova Scotia Health Authority	Completed
	Service Nova Scotia and Internal Services	Completed
1.2 The Department of Health and Wellness, Department of Internal Services, IWK Health Centre, and Nova Scotia Health Authority should evaluate the transition to centralized information technology services, and identify lessons learned which can be applied to future collaborative health sector initiatives.	Health and Wellness	Completed
	IWK Health Centre	Completed
	Nova Scotia Health Authority	Completed
	Service Nova Scotia and Internal Services	Completed
1.3 The Department of Health and Wellness, IWK Health Centre, and Nova Scotia Health Authority should develop and implement policies for the management of IT service levels, including periodic review of agreements and monitoring of service levels.	Health and Wellness	Completed
	IWK Health Centre	Completed
	Nova Scotia Health Authority	Completed
1.4 The Department of Health and Wellness, Department of Internal Services, IWK Health Centre, and Nova Scotia Health Authority should develop and implement comprehensive risk management frameworks which include risk management policies, risk registers, a defined risk tolerance, and risk mitigation strategies.	Health and Wellness	Completed
	IWK Health Centre	Completed
	Nova Scotia Health Authority	Completed
	Service Nova Scotia and Internal Services	Completed
1.5 The Department of Internal Services and Nova Scotia Health Authority should ensure policies are in place to require that IT controls are monitored, results are reported, and deficiencies are managed.	Nova Scotia Health Authority	Completed
	Service Nova Scotia and Internal Services	Completed
1.6 The Department of Health and Wellness, Department of Internal Services, IWK Health Centre, and Nova Scotia Health Authority should establish a process to assess if IT risks are collectively identified, assessed, and mitigated.	Health and Wellness	Completed
	IWK Health Centre	Completed
	Nova Scotia Health Authority	Completed
	Service Nova Scotia and Internal Services	Completed

December 2018 Chapter 2: IWK Health Centre: Financial Management Controls and Governance		
Recommendation	Organization	Status as of Oct 15, 2021
2.1 The IWK Health Centre should create and update policies to provide clear expectations to staff. These policies should address fraud, travel and hospitality, internal meeting expenses, staff social events, gifts of appreciation, signing authority, and procurement.	IWK Health Centre	Completed

(continued)

December 2018		
Chapter 2: IWK Health Centre: Financial Management Controls and Governance (continued)		
Recommendation	Organization	Status as of Oct 15, 2021
2.2 The IWK Health Centre should complete a risk-based evaluation of its internal controls. Management should design, document, and implement appropriate internal controls and monitor to ensure the controls are operating effectively on a regular basis.	IWK Health Centre	Not Assessed - Will be reported in the Fall 2022 Financial Chapter
2.3 The IWK Health Centre Board of Directors should oversee the development and implementation of internal controls and receive regular reporting on the effectiveness of internal controls.	IWK Health Centre	Not Assessed - Will be reported in the Fall 2022 Financial Chapter
2.4 The IWK Health Centre should implement a comprehensive risk management framework. This framework should identify both operational and strategic risks and identify how the IWK Health Centre is responding to the risks. The Board and management should regularly monitor the effectiveness of the IWK Health Centre's response to the risks.	IWK Health Centre	Completed
2.5 The IWK Health Centre should re-evaluate whether it has appropriately assessed and ranked its financial risks, using the issues identified in this report as a guide.	IWK Health Centre	Completed
2.6 The IWK Health Centre Board of Directors should update its governance policy to set a clear expectation of the significant transactions requiring Board approval. The Board should verify that management presented all changes to the Board for approval as required.	IWK Health Centre	Completed
2.7 The IWK Health Centre should identify and put appropriate controls in place to verify the accuracy of reporting to the Board of Directors.	IWK Health Centre	Completed
2.8 The IWK Health Centre Board of Directors should review the Finance, Audit and Risk Committee terms of reference. The Board should make necessary updates to the terms of reference to improve management accountability for financial management controls.	IWK Health Centre	Completed
2.9 The IWK Health Centre Board of Directors should regularly review the performance of the Chief Executive Officer and maintain sufficient documentation to support the results of the evaluation.	IWK Health Centre	Completed
2.10 The IWK Health Centre Board of Directors should hold the Chief Executive Officer accountable to complete annual performance evaluations of executives as required.	IWK Health Centre	Completed

(continued)

December 2018 Chapter 3: Workers' Compensation Board: Governance and Long-term Sustainability		
Recommendation	Organization	Status as of Oct 15, 2021
3.1 The Board of Directors of the Workers' Compensation Board should examine the process for reviewing the Corporate Governance Manual to ensure it is adequate to identify any changes or updates required.	Workers' Compensation Board	Completed
3.2 The Board of Directors of the Workers' Compensation Board should review annual performance evaluation processes for the Board of Directors and the CEO to address weaknesses and ensure processes are efficient and effective.	Workers' Compensation Board	Completed
3.3 The Workers' Compensation Board should evaluate and define the process for assessing, documenting, and reviewing changes to employer industry classifications.	Workers' Compensation Board	Completed

January 2019 Information Access and Privacy Information Technology Projects		
Recommendation	Organization	Status as of Oct 15, 2021
1.1 The Department of Internal Services should conduct comprehensive risk assessments for IT projects prior to implementation.	Service Nova Scotia and Internal Services	Not Completed
1.2 The Department of Internal Services should clearly define the scope of responsibilities of the Architecture Review Board and ensure stakeholders clearly understand what IT projects should be submitted. The scope should include new IT systems or changes to existing systems and should require a full scope of documentation and testing.	Service Nova Scotia and Internal Services	Completed
1.3 The Department of Internal Services should establish criteria to ensure adequate project management expertise is in place for all projects. The criteria should be documented, communicated, and put into practice in managing teams.	Service Nova Scotia and Internal Services	Completed
1.4 The Department of Internal Services should establish a process to ensure and document vendor compliance with contract terms at all stages of a contract.	Service Nova Scotia and Internal Services	Not Completed
1.5 The Department of Internal Services should ensure contracts with vendors include service expectations and financial obligations.	Service Nova Scotia and Internal Services	Completed

May 2019 Chapter 1: Diversity and Inclusion in the Public Service		
Recommendation	Organization	Status as of Oct 15, 2021
1.1 The Public Service Commission should develop and use an implementation plan for future diversity and inclusion strategies.	Public Service Commission	Completed

(continued)

May 2019 Chapter 1: Diversity and Inclusion in the Public Service (continued)		
Recommendation	Organization	Status as of Oct 15, 2021
1.2 The Public Service Commission should develop and use evaluation plans for future diversity and inclusion strategies. There should be regular reporting on progress toward achieving the goals of the strategies.	Public Service Commission	Not Completed
1.3 The Public Service Commission should implement a process to identify, collect, and analyze data needed to assess diversity and inclusion programs and initiatives.	Public Service Commission	Not Completed
1.4 The Public Service Commission should implement a process to assess the effectiveness and consistent application of the Employment Equity and Respectful Workplace policies.	Public Service Commission	Not Completed
1.5 The Public Service Commission and the Departments of Agriculture, Community Services, and Justice should communicate to staff the need to complete mandatory training, as well as track the completion of training by all staff.	Agriculture	Completed
	Community Services	Completed
	Justice	Completed
	Public Service Commission	Completed
1.6 The Public Service Commission should evaluate how training is delivered to make it as accessible as possible to staff. Policy guidance should also be developed and include timeframes for when training should be completed and whether it needs to be retaken at regular intervals.	Public Service Commission	Not Completed
1.7 The Departments of Agriculture, Community Services, and Justice should work with the Public Service Commission to develop and implement formal processes to regularly review their human resources practices to identify and remove barriers to employment, retention, and advancement for members of the designated groups.	Agriculture	Not Completed
	Community Services	Not Completed
	Justice	Not Completed
	Public Service Commission	Not Completed
1.8 The Departments of Agriculture, Community Services, and Justice should ensure diversity and employment equity progress reports clearly assess the status of diversity and inclusion goals. These reports should also be communicated to staff throughout the departments.	Agriculture	Not Completed
	Community Services	Completed
	Justice	Completed

(continued)

May 2019 Chapter 2: Selection and Quality Management of Bridge Projects in Central and Western Districts		
Recommendation	Organization	Status as of Oct 15, 2021
2.1 The Department of Transportation and Infrastructure Renewal should review its processes and systems used to track bridge information and inspections. The Department should identify and take appropriate action to ensure information about bridges, including recommended repairs and maintenance history, is complete, accurate, and accessible.	Public Works	Not Completed
2.2 The Department of Transportation and Infrastructure Renewal should implement a process of using consistent criteria to assist management to determine bridge priorities at the district and provincial levels.	Public Works	Not Completed
2.3 The Department of Transportation and Infrastructure Renewal should complete bridge inspections as required by Department policy.	Public Works	Not Completed
2.4 The Department of Transportation and Infrastructure Renewal should implement regular monitoring of information system data, inspection results and documentation, and project files to ensure there is complete and accurate information on the condition of bridges and to monitor compliance with Department policies and processes.	Public Works	Not Completed
2.5 The Department of Transportation and Infrastructure Renewal should annually review the <i>Project Engineer's Field Manual</i> and the <i>Standard Specification: Highway Construction and Maintenance</i> manual. Updates should be made as needed based on the outcome of the reviews.	Public Works	Not Completed
2.6 The Department of Transportation and Infrastructure Renewal should implement a process to monitor bridge-related warranties.	Public Works	Not Completed
2.7 The Department of Transportation and Infrastructure Renewal should document training requirements for inspectors and monitor to ensure training is completed as required.	Public Works	Completed

May 2019 Chapter 3: Workers' Compensation Board: Claims Management		
Recommendation	Organization	Status as of Oct 15, 2021
3.1 The Workers' Compensation Board should ensure that they are consistently communicating with injured workers on a timely basis and providing all relevant details regarding decisions, including how benefits were calculated.	Workers' Compensation Board	Completed
3.2 The Workers' Compensation Board should review performance standards for requesting permanent impairment benefit assessments and implement processes to ensure these standards are monitored.	Workers' Compensation Board	Completed

(continued)

May 2019		
Chapter 3: Workers' Compensation Board: Claims Management (continued)		
Recommendation	Organization	Status as of Oct 15, 2021
3.3 The Workers' Compensation Board should improve the complaint resolution process, including implementing proper segregation of duties, and the creation of a formal complaint log that includes all complaints received, as well as documenting the actions taken, both to make an initial decision on the validity of the complaint and to ensure service delivery standards are met. Management should also implement a quality review process over complaints.	Workers' Compensation Board	Completed
3.4 The Workers' Compensation Board should ensure that both the injured worker and employer accept the initial accident report.	Workers' Compensation Board	Completed
3.5 The Workers' Compensation Board should review benefit payment processes and implement controls to ensure that only authorized additions and changes to benefits happen, and that supporting documentation for all payments is on file.	Workers' Compensation Board	Completed
3.6 The Workers' Compensation Board should review current practices and implement an updated process, including review and document retention standards, for vetting workers' files to ensure all sensitive unrelated information is removed before being sent to a third party.	Workers' Compensation Board	Completed
3.7 The Workers' Compensation Board should establish processes to ensure that appeal decisions are made within targeted timeframes, case management is clearly documented to support reasonable actions were taken to resolve the file in an efficient manner, and proper oversight exists.	Workers' Compensation Board	Not Completed
3.8 The Workers' Compensation Board should establish implementation and monitoring processes to ensure that all appeal decisions are implemented in a timely and efficient manner.	Workers' Compensation Board	Completed
3.9 The Workers' Compensation Board should ensure the return-to-work case management process is accurately documented and tracks the steps taken to return the worker to work, including any changes made during the process.	Workers' Compensation Board	Completed
3.10 The Workers' Compensation Board should ensure that file reviews are completed as required, and document actions taken to resolve issues identified.	Workers' Compensation Board	Completed
3.11 The Workers' Compensation Board should implement a system to monitor the completion of training by staff, including notification for when training updates are required.	Workers' Compensation Board	Completed
3.12 The Workers' Compensation Board should ensure that all parts of the performance planning and assessment process are completed and documented.	Workers' Compensation Board	Completed

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December 2019 Chapter 1: Reducing Regulatory Burden		
Recommendation	Organization	Status as of Oct 15, 2021
1.1 The Office of Regulatory Affairs and Service Effectiveness should ensure that guidance documents and the Business Impact Assessment tool are regularly updated, and the most current versions are used.	Office of Regulatory Affairs and Service Effectiveness	Completed

December 2019 Chapter 2: QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre		
Recommendation	Organization	Status as of Oct 15, 2021
2.1 The Department of Transportation and Infrastructure Renewal should implement a fraud risk management program specific to the QEII New Generation Project, including a fraud policy, fraud risk assessment, and fraud training.	Public Works	Completed
2.2 The Department of Transportation and Infrastructure Renewal should implement a process to regularly monitor the implementation of recommendations included in the governance and key project capabilities report. The process should include developing detailed implementation plans and schedules along with regular reporting on the status of recommendations.	Public Works	Completed
2.3 The Department of Transportation and Infrastructure Renewal should implement all recommendations made by its own consultant to address gaps in governance and key project capabilities.	Public Works	Completed
2.4 The Department of Transportation and Infrastructure Renewal should implement a contract management process to fully oversee contracts related to the Halifax Infirmary Expansion and the Community Outpatient Centre. This process should include documentation to support the oversight of service providers.	Public Works	Not Completed
2.5 The Department of Transportation and Infrastructure Renewal should ensure the timely signing of contracts with private sector partners that are consistent with procurement documents and contain terms to ensure the public interest is protected.	Public Works	Not Completed

Appendix IV: Management Summaries for 2017, 2018, and 2019 Recommendations Assessed as Not Completed as of October 15, 2021 (unaudited)

This appendix lists all recommendations from 2017, 2018, and 2019 assessed by management as not completed. We have not conducted any work and provide no assurance on these management summaries. They are presented for information purposes only.

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2017 Audits		
November 1, 2017: Climate Change Management	3.3	46
November 22, 2017: Mental Health Services	2.6	47
November 22, 2017: Managing Home Care Support Contracts	3.2, 3.5	47
2018 Audits		
May 2018: Grant Programs	1.1, 1.2, 1.3, 1.4	48
May 2018: Correctional Facilities	2.3	49
2019 Audits		
January 2019: Information Access and Privacy Information Technology Project	1.1, 1.4	50
May 2019: Diversity and Inclusion in the Public Service	1.2, 1.3, 1.4, 1.6, 1.7, 1.8	51
May 2019: Selection and Quality Management of Bridge Projects in Central and Western Districts	2.1, 2.2, 2.3, 2.4, 2.5, 2.6	54
May 2019: Workers' Compensation Board: Claims Management	3.7	55
December 2019: QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre	2.4, 2.5	56

Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2017 Audits		
November 1, 2017: Climate Change Management		
3.3 Environment should regularly review its rating of climate change risks to determine if the ratings have changed and identify any new actions required to address the changes.	Environment: Agree. NS Environment commits to reviewing its ranking of climate change risks and validating this information based on the latest science every 5 years. Timing: 2019	Environment and Climate Change: Nova Scotia Department of Environment and Climate Change (ECC) commits to reviewing its ranking of climate change risks and validating this information every 5 years. ECC has secured funding from Natural Resources Canada, along with Provincial funds, to complete a provincial Climate Change Risk Assessment. Coordinated internally and with external technical expertise, the assessment of climate change risks is underway for background research, updated climate projections for Nova Scotia, and gathering necessary data. To be completed by March 2022, the Risk Assessment will analyze risks of direct and indirect climate change impacts, including estimates of adaptive capacity for high priority areas, to identify actions and next steps. Next steps include completing the provincial analysis of climate impacts and risks, identifying priorities for estimating adaptive capacity and action, and communicating results. This assessment will also lay the foundation for regular and ongoing assessments.

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2017 Audits		
November 22, 2017: Mental Health Services		
2.6 The Nova Scotia Health Authority should implement the emergency department safety recommendations identified in the January 2017 Improving Workplace Safety report as accepted by government.	Nova Scotia Health Authority: Nova Scotia Health Authority agrees with this recommendation and is in the process of implementing. We co-chaired the Work Group that produced the <i>Improving Workplace Safety in Community Emergency Departments Report</i> in December 2016. We have implemented a comprehensive violence in the workplace policy and program, including conducting risk assessments in the community emergency departments. As required by the report, NSHA will submit a report identifying progress on the recommendations to Department of Health and Wellness by December 31, 2017.	Nova Scotia Health Authority: All recommendations in the Report have been implemented, with the exception of Non Violent Crisis Intervention Training. The Respectful Workplace, Code of Conduct, Code White and Code Silver policies and processes have been implemented. Renovations have been completed at the Soldiers Memorial Hospital and the Parklane information system has been rolled out across the Province. Non Violent Crisis Intervention Training is still ongoing and work to implement this recommendation will continue in the Fall of 2021, with an estimated completion time of 2022.
November 22, 2017: Managing Home Care Support Contracts		
3.2 The Department of Health and Wellness and the Nova Scotia Health Authority should put a process in place to verify the accuracy of reporting from home support providers. Reported hours, performance indicators, and statistical reporting should be included in the verification process.	Health and Wellness: The Department of Health and Wellness agrees with this recommendation. The department recognizes the importance of verifying reported information to ensure accuracy and we are moving in that direction. In 2017, the Department of Health and Wellness and Nova Scotia Health Authority met individually with all home support providers to discuss issues of mutual concern, including reporting requirements. Also in 2017, a joint department/health authority Performance Monitoring Committee was established which will meet monthly on an ongoing basis to assess providers' performance. In 2018/19, we will build on these accomplishments to develop a process for verifying the data reported by the home support providers.	Seniors and Long-term Care: Monthly statistics and quarterly Key Performance Indicators continue to be submitted to the Department of Seniors and Long-term Care for provider performance review. Data collection has resumed since the COVID-19 pause. As we plan for the future of home care, we are planning improvements to technology. Improvements in technology will replace manual systems and improve data accuracy collected by providers to identify concerns and follow-up. This will support our work to complete this recommendation, with a final completion time of 2024.
3.5 The Department of Health and Wellness and the Nova Scotia Health Authority should maintain an integrated record of home support complaints received, including their outcome.	Nova Scotia Health Authority: Nova Scotia Health Authority agrees with this recommendation and intends to implement. While NSHA has processes in place to record and investigate client complaints, we agree a centralized database would be beneficial. We will use this information to ensure all client complaints are addressed, trends are tracked and performance issues with providers addressed. We will work with DHW to implement an integrated approach to handling home support complaints by April 1, 2018.	Nova Scotia Health Authority: The Nova Scotia Health Patient Feedback Policy and Procedures, which includes direction regarding complaints made by individuals about NS Health contracted providers, including home care agencies, became effective on September 3, 2020. The full implementation of this policy by NS Health Continuing Care for feedback related to service provided by contracted home care providers has been delayed due to pandemic planning and response requirements. Planning will begin shortly for full implementation in Fall 2022.

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2018 Audits		
May 2018: Grant Programs		
1.1 The Department of Finance and Treasury Board, in consultation with the Executive Council Office, should develop a framework to provide guidance to public sector entities on best practices for grant program design, administration, and monitoring of compliance at a program design level.	Finance and Treasury Board: The Department of Finance and Treasury Board accepts this recommendation and will work with Executive Council Office, as well as departments with grant programs, to develop such a framework.	Finance and Treasury Board: A corporate grants committee, established and monitored by the Associate Deputy Minister through the Senior Financial Executive Forum (SFEF), shall develop a management policy addressing the recommendation. The estimated completion time will be the end of Fiscal 2022.
1.2 The Departments of Agriculture; Communities, Culture and Heritage; and Natural Resources should establish performance indicators, measure performance, and regularly evaluate grant programs.	Communities, Culture and Heritage: The Department of Communities, Culture and Heritage agrees with this recommendation and is currently undertaking a review of all grants and funding programs. The outcome of this review will provide direction for performance indicators, tools to measure performance and evaluation methods for regularly evaluating grant programs.	Communities, Culture, Tourism and Heritage: This work is ongoing, and is being implemented incrementally, through the Program Improvement Project. The department's conscious decision to view all programming through the lenses of equity, diversity and inclusion is strengthening existing programs and will ensure that any new programs will be delivered with new performance measurements and evaluation tools as we complete the final work of this recommendation. Estimated completion time: Fiscal year 2022-2023.
1.3 The Departments of Agriculture; Communities, Culture and Heritage; and Natural Resources should develop a comprehensive risk analysis and use this to assess the design of all grant programs.	Communities, Culture and Heritage: The Department of Communities, Culture and Heritage agrees with this recommendation. As part of the review, the Department will develop and use a comprehensive risk analysis in grant program design.	Communities, Culture, Tourism and Heritage: All aspects of this recommendation are completed except for the implementation of the program risk identification tool, which is being addressed through the Program Improvement Project. New checklists, assessment tools and inspection processes are developed and have begun to be transitioned into operations to ensure the ongoing oversight and accountability for program risk management. Equity is a priority for each phase of Program Improvement and will be part of the risk identification and analysis as the grant program design is completed. Estimated completion time: Fiscal year 2022-23.
	Natural Resources: The Department of Natural Resources agrees with this recommendation. A department Enterprise Risk Management Policy became effective January 1, 2018 and will support the development and use of comprehensive risk analysis procedures in grant program design.	Natural Resources and Renewables: The Department's Grant Programs Standard Operating Procedure (SOP) became effective in the first quarter of 2020-21 and will be applied to any new grant programs. For the department's existing grant programs, the SOP will be phased in, including conducting risk assessments according to the Enterprise Risk Management Policy. Risk assessments have been completed for three audited grant programs. However, due to competing priorities and restrictions related to COVID-19, risk assessments on six existing grant programs have not yet been completed. It is estimated that the risk assessments for all the Department's remaining grant programs will be completed by the fourth quarter of 2021-22.

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2018 Audits		
May 2018: Grant Programs (continued)		
1.4 The Departments of Agriculture; Communities, Culture and Heritage; and Natural Resources should develop monitoring processes for grant management to ensure required controls are followed for each stage of the grant process.	Communities, Culture and Heritage: The Department of Communities, Culture and Heritage agrees with this recommendation. Working within the framework prepared by Department of Finance and Treasury Board, the department will improve grant management monitoring processes for each stage of the grant process.	Communities, Culture, Tourism and Heritage: The Department of Communities, Culture, Tourism and Heritage will continue to design and implement grant management monitoring processes for each stage of the grant process for completion June 1, 2022. Ongoing work will include improvements to assessment tools, and checklists for both documentation and the processes to ensure accountability and all the necessary steps that support the entire funding lifecycle have occurred.
May 2018: Correctional Facilities		
2.3 The Department of Justice should complete a review of all correctional facilities to identify staff who have not completed or recertified required training and ensure required training is completed.	Justice: The Department of Justice agrees with this recommendation. A list of all staff who require training will be compiled and staff will be put on a priority listing for training sessions. Additional training schedules will be arranged. The training matrix will be updated to accurately reflect current certification and re-certification standards to align Correctional Services standards with best practice standards. Timing: March 31, 2019.	Justice: The Training Standards Matrix has been updated. The new electronic Learning Management System tracks all training for Correctional Services staff. Correctional Services has facilitated training courses for staff as identified by the Auditor General. Specific training gaps have been identified and some gaps addressed. Training was planned for spring 2020 to achieve completion of the recommendation, but all in-person training was postponed due to COVID-19. Training recommenced in July 2020 in smaller groups in accordance with public health guidelines. Due to the prolonging of these guidelines, the revised estimated timeline for completion is now Fall 2022, subject to any other measures impacting group size.

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2019 Audits		
January 2019: Information Access and Privacy Information Technology Projects		
<p>1.1 The Department of Internal Services should conduct comprehensive risk assessments for IT projects prior to implementation.</p>	<p>Internal Services: The Department of Internal Services accepts this recommendation. The level of project risk and complexity will vary by project; therefore, risk assessments and risk management will also vary based on the type of project. Project Risk management practices including Threat Risk Assessment (TRA) and Privacy Impact Assessment (PIA) processes have been and will continue to be enhanced and implemented. To support new initiatives and ongoing operations we have recently developed and communicated to staff an overview/guide describing the proper timing and execution of TRAs and PIAs. In addition, measures will be taken to increase awareness and invest in training and awareness of project team members, managers and client departments in general, to ensure adoption of risk management practices, including risk registers and risk mitigation strategies in alignment with industry best practices such as Project Management Book of Knowledge (PMBOK) and frameworks such as Control Objectives for Information Technology (COBIT) and National Institute of Standards and Technology (NIST) for Cybersecurity.</p>	<p>Service Nova Scotia and Internal Services: SNS-IS implemented a security risk assessment process, including the following key components:</p> <ul style="list-style-type: none"> • A Pre-Risk Assessment (Pre-RA) Workbook is completed by the Business Owner and used by the Cybersecurity Team to determine the scope of required security risk assessments. • An Architecture Review Board (ARB) process ensures that security risk assessment activities are conducted prior to implementation. The Pre-RA Workbook is completed during the early stages of the solution design and delivery process and the recommended security risk assessments must be completed and security risks mitigated prior to the deployment to production. <p>SNS-IS recognizes that the implemented process allowed (for urgent projects) Business Owners to defer security risk assessments until after the implementation and have recently taken steps to stop this practice. Process improvement work is ongoing; SNS-IS will continuously review and identify opportunities to enhance processes to better respond to the evolving cyber threat landscape.</p>
<p>1.4 The Department of Internal Services should establish a process to ensure and document vendor compliance with contract terms at all stages of a contract.</p>	<p>Internal Services: The Department of Internal Services accepts this recommendation. With the creation of Shared Services, more robust processes are being put in place to manage and administer IT vendor compliance starting with major contracts and vendor relationships. Contracting terms and processes associated with compliance are stronger in newer contracts. An analysis of Vendor Relations and Contract Governance capacity has been completed. Work will continue to ensure processes are put in place to monitor compliance with contract terms.</p>	<p>Service Nova Scotia and Internal Services: The Department of Service Nova Scotia and Internal Services assessed capacity for vendor oversight. The Department reviewed major contracts and have identified those that require formalized vendor oversight, ensuring that all major contracts led by Nova Scotia Digital Service have an owner who leads the ongoing vendor engagement. The Department is developing ongoing processes to monitor compliance with contract terms. The estimated completion time is Fall 2022.</p>

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2019 Audits		
May 2019: Diversity and Inclusion in the Public Service		
1.2 The Public Service Commission should develop and use evaluation plans for future diversity and inclusion strategies. There should be regular reporting on progress toward achieving the goals of the strategies.	Public Service Commission: The Public Service Commission agrees with this recommendation. The PSC agrees that evaluation, monitoring, and regular reporting are critical to ensure efficacy, efficiency, and that we are meeting the outcomes that we strive toward. We will develop and implement regular reporting and evaluation techniques in the new diversity and inclusion strategy. We have already started consultation with monitoring and evaluation experts internally and with Research Nova Scotia (ResearchNS) for the development of an evaluation plan for the new strategy. The requirement to report on progress under the Employment Equity Policy will continue to be communicated through an annual report tabled in the legislature. This report will also reflect more robust and detailed reporting on both progress and effort by the Public Service Commission and other departments. Timing: September 2019 and annually thereafter.	Public Service Commission: The Public Service Commission hired a new Director of Equity, Diversity and Inclusion (EDI) in September 2021, after the position was vacant for several months. Concurrently, a committee of EDI Leads from departments across government was established and will be meeting regularly to address issues that pertain to departmental initiatives. It will be primarily this committee, in collaboration with the PSC as the lead, who will be addressing this recommendation by establishing evaluation reporting standards and an accompanying reporting template for departments, that aligns with the All Together Strategy and government's commitment to employment equity across all levels. The reporting standards will consider key areas from the Global Diversity and Inclusion Benchmarks (GDIB), as well as the evaluation tool developed by Research Nova Scotia. The working committee will meet in early February to begin this work, with the goal of completing it by summer 2022. It is important to note that the current situation with COVID-19, may impact timelines.
1.3 The Public Service Commission should implement a process to identify, collect, and analyze data needed to assess diversity and inclusion programs and initiatives.	Public Service Commission: The Public Service Commission agrees with this recommendation. Data collection and analysis are a key component to assess effectiveness of diversity programs and initiatives. The Deputies Council has decided that the new diversity and inclusion strategy will include a focus on measurement, to be implemented through the Public Service Commission. Our present data collection processes are under review and we will be developing both technological and process solutions. The PSC will also develop a robust process to identify, collect, and analyze data related to the new goals of the diversity strategy which will be critical in the achievement of the next diversity and inclusion strategy. Timing: October 2019.	Public Service Commission: The theory of change and evaluation matrix will inform the data collection and analysis of diversity and inclusion programs. The Public Service Commission (PSC) will also use the Global Diversity and Inclusion Benchmarks' tiered evaluation standards to measure progress and efficacy of the All Together diversity and inclusion strategy, as well as department progress on employment equity plans. In addition, the PSC conducts the biennial How's Work Going? employee engagement survey which gathers important feedback from public service employees, especially equity-seeking employees on their employment experience in the NS Public Service. The estimated completion time is March 2022.
1.4 The Public Service Commission should implement a process to assess the effectiveness and consistent application of the Employment Equity and Respectful Workplace policies.	Public Service Commission: The Public Service Commission agrees with this recommendation. These policies are reflective of our Public Service values and build a foundation toward providing safe, inclusive work environments. As a part of the new strategy on diversity, the PSC will regularly monitor the effectiveness and consistent application of the Employment Equity and Respectful Workplace policies. The Public Service Commission will develop reporting criteria, measurement parameters and a reporting template to monitor the consistent application of these policies across all departments in the NS public service. Both Employment Equity and Respectful Workplace policies are currently under review and will explicitly state that the PSC is responsible for monitoring and evaluation of effectiveness. Timing: May 2020.	Public Service Commission: The Public Service Commission (PSC) will be facilitating corporate and departmental Employment Systems Reviews including audits on select competitions to identify barriers faced by equity seeking groups during recruitment and career advancement. Employment Systems Reviews will begin in 2021. Recommendation to hire documents require Deputy Minister approval to ensure employment equity policy application. Competitions are reviewed by PSC to check for process adherence and completion. Diversity and Inclusion training for leaders includes equity and diversity considerations in the hiring process. PSC created a report to monitor respectful workplace concerns, mediation requests, and investigation requests. Data gathered will include a high-level overview and information up to and including completion. The estimated completion time is March 2022.

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2019 Audits		
May 2019: Diversity and Inclusion in the Public Service (continued)		
<p>1.6 The Public Service Commission should evaluate how training is delivered to make it as accessible as possible to staff. Policy guidance should also be developed and include timeframes for when training should be completed and whether it needs to be retaken at regular intervals.</p>	<p>Public Service Commission: The Public Service Commission agrees with this recommendation. The PSC agrees that making training accessible to all employees will continue to be a priority. We are currently reviewing our course offerings, course content, delivery methodologies and alternative offerings. In collaboration with other departments, we are identifying and training a greater number of facilitators across the public service. We will continue to provide high quality, experiential training. The Employment Equity and Respectful Workplace policies and guidelines are currently under review. In the new guidelines we will identify priorities to address department needs, client service and timelines consistent with the new diversity strategy. Timing: September 2020.</p>	<p>Public Service Commission: In-class training was suspended in March 2020 due to the COVID-19 pandemic. As a result, the Public Service Commission has converted in-class training to online modules, including mandatory Diversity and Inclusion training. This allowed a greater number of public servants to access training. Virtual facilitated training began in September 2020. The Employment Equity Policy is under review including the mandatory and content refresher sections. Updated Respectful Workplace training was rolled out in July 2020, with one online module for all employees. Three guidelines were created to support the Respectful Workplace Policy: Manager, HR Professional and Employee Guidelines. The guidelines and training were developed to include visual impairment supports for accessibility. The estimated completion time is March 2022.</p>
<p>1.7 The Departments of Agriculture, Community Services, and Justice should work with the Public Service Commission to develop and implement formal processes to regularly review their human resources practices to identify and remove barriers to employment, retention, and advancement for members of the designated groups.</p>	<p>Public Service Commission: The Public Service Commission agrees with this recommendation. The PSC will develop and implement a consistent methodology for the review of systemic barriers regarding recruitment, retention, and advancement of equity candidates and employees. The PSC has recently conducted an organizational restructuring, where the Recruitment, Diversity, and Organizational Development units will reside within the same division. This restructuring was conducted, in part, to clearly reflect the linkages between these areas and to create further synergies toward reducing barriers in recruitment and advancement for equity-seeking groups. The PSC agrees that, while the Employment Equity policy requires departments to monitor human resource practices regarding diversity, we would benefit from a formalized approach to review these practices. The new diversity and inclusion strategy, and Employment Equity policy review, will define a process to assist departments in a coordinated and meaningful manner. Timing: January 2020.</p>	<p>Public Service Commission: The Public Service Commission (PSC) is developing a corporate Employment Systems Review (ESR) that would address employment barriers in our hiring practices for equity seeking employees and candidates. The ESR will begin in 2021. In addition, the PSC in collaboration with the Department of Justice, will be conducting a competition audit to identify and remove barriers for employment equity groups and assess adherence to the employment equity policy. Currently, a corporate talent management process is being piloted that can provide equity seeking employees with opportunities and supports for career development. The estimated completion time is March 2022.</p>
	<p>Agriculture: The Department of Agriculture agrees with this statement. Agriculture will work with the Public Service Commission to implement the corporate methodology developed to achieve this recommendation through supervisory awareness and training. This training will occur as soon as operationally possible following the development of the corporate methodology, but not exceeding six months of the development.</p>	<p>Agriculture: The Department of Agriculture organized Diversity and Inclusion training for management in January 2020. Agriculture will work with the Public Service Commission (PSC) to implement the finalized corporate methodology through supervisory awareness and training. The PSC is developing a corporate Employment Systems Review (ESR) that would address employment barriers for equity seeking employees and candidates. A template would then be shared with departments to conduct their internal ESR.</p>

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2019 Audits		
May 2019: Diversity and Inclusion in the Public Service (continued)		
<p>1.7 The Departments of Agriculture, Community Services, and Justice should work with the Public Service Commission to develop and implement formal processes to regularly review their human resources practices to identify and remove barriers to employment, retention, and advancement for members of the designated groups. (continued)</p>		<p>There is a talent review process underway that will invite equity seeking employees to apply for positions at higher levels and focus on professional development. The Public Service Commission, with Department of Justice, will be conducting a competition audit to identify and remove barriers for employment equity groups as well as assess adherence to the employment equity policy. Our estimated completion time is September 2022.</p>
	<p>Community Services: The Department of Community Services accepts this recommendation. We now have work underway in this area and are proud to have designated two management positions in 2018. We are also working with the PSC to set specific targets for DCS regarding continuing to increase diversity of staffing across the department. We will collaborate with the PSC so that by the end of 2020 we will have developed and implemented processes to regularly review our human resource practices to ensure we take every effort to remove barriers to employment, retention, and advancement for members of designated groups. As part of this work, we will complete an initial review of our departmental human resource practices, using the Employment Equity Hiring Policy Guidelines, to inform the creation of an action plan that would address areas for improvement.</p>	<p>Community Services: This recommendation will be complete by March 31, 2022. Significant work has been completed to identify and remove barriers to employment and improve retention and advancement for members of designated groups. Examples include development of a departmental strategy to end anti-Black racism, and participation in a multi-department engagement that includes assessment of consistent application of the Public Service Commission's Fair Hiring Policy and Guidelines, and Employment Equity Policy Guidelines. Community Services will conduct an Employment Systems Review when the Public Service Commission's template is released, and in the interim, complete its own review and take actions to address issues identified.</p>
	<p>Justice: The Department of Justice is supportive of this recommendation. Recent additions include two Indigenous Liaison Officers; an African Nova Scotian Program Officer and a Cultural Liaison Provincial Program Officer. These positions meet the needs of those in the justice system; serve as a cultural resource for staff; and work closely with community. The Department continues to hire graduates from the Indigenous Black and Mi'kmaq (IB&M) Program to article with Legal Services Division. The Department's diversity and inclusion plan will focus on recruitment, retention and advancement and cultural events. The Department just completed a workshop with colleagues from the Public Service Commission to identify targets to improve recruitment of designated groups. The Department continues to work closely with our colleagues from the Public Service Commission to have formal processes in place to regularly review the human resource practices and this has been captured in our diversity and inclusion department wide plan.</p>	<p>Justice: The Department of Justice (DOJ) participated in a multi-department internal audit of the Talent Acquisition function. DOJ is yet to review the audit report, once the report is received DOJ will consider actioning any recommendations. The audit was concluded with DOJ in February 2021. In addition, the PSC is in the process of developing a corporate Employment Systems Review (ESR) that would address employment barriers in our hiring practices for equity seeking employees and candidates. ESRs will begin in 2021. The estimated completion time is March 2022. A template will then be shared with departments to conduct their internal ESR. DOJ will support the development of this template and commit to implementing the review.</p>

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2019 Audits		
May 2019: Diversity and Inclusion in the Public Service (continued)		
1.8 The Departments of Agriculture, Community Services, and Justice should ensure diversity and employment equity progress reports clearly assess the status of diversity and inclusion goals. These reports should also be communicated to staff throughout the departments.	Agriculture: The Department of Agriculture agrees with this statement. Starting with the 2018-2019 Diversity and Employment Equity Progress Report, the Department will include an assessment of the stated goals. In addition, the finalized Departmental Reports will be posted on our intranet site and communicated through a weekly internal news bulletin.	Agriculture: The Department of Agriculture is working to strengthen its strategic diversity planning as part of its Human Resource Strategy and plans to incorporate those goals into the operational level goals currently identified in annual plans. Starting with the 2018-2019 Diversity and Employment Equity Progress Report, the finalized Departmental Reports will be posted on our intranet site and communicated through a weekly internal news bulletin. Estimated completion time is March 31, 2022.
May 2019: Selection and Quality Management of Bridge Projects in Central and Western Districts		
2.1 The Department of Transportation and Infrastructure Renewal should review its processes and systems used to track bridge information and inspections. The Department should identify and take appropriate action to ensure information about bridges, including recommended repairs and maintenance history, is complete, accurate, and accessible.	Transportation and Infrastructure Renewal: The Department will review the processes and systems used to track bridge information and inspections and determine appropriate actions for ensuring information about bridges, including recommended repairs and maintenance history, is complete, accurate and accessible. This will include an investigation of software upgrades and updating of policies and procedures. This review, and any subsequent implementation, will be in place within 24 months. The Department is also hiring a maintenance planner who will prioritize maintenance, inspections and upkeep of all highway infrastructure including bridges. This position should be in place within 6 months.	Public Works: The department of Public Works (DPW) has hired a Maintenance Planner; collected, analyzed and validated bridge data; reviewed all bridges for ownership, inspection and maintenance responsibilities; issued a Request for Information (RFI) responses for a new Bridge Management Software (BMS), and received approval to purchase a new software system.
2.2 The Department of Transportation and Infrastructure Renewal should implement a process of using consistent criteria to assist management to determine bridge priorities at the district and provincial levels.	Transportation and Infrastructure Renewal: The Department will ensure the process currently in place is formalized and made provincially consistent for the decisions around bridge repairs and replacement. This will include the parameters used in the prioritization process. This process will be implemented for the 2021-22 Capital Plan.	Public Works: The Department of Public Works (DPW) is reviewing other jurisdictional practices and working on developing criteria for prioritization of bridge work and projects. Formalization of a Bridge Project Prioritization Procedure and draft criteria for Sufficiency Rating will continue and be incorporated into a new Bridge Management System (BMS) software, which will include a tracking system; modelling and analytics; program and project analysis; performance measures and historic data. Target performance measures/goals and a decision-making matrix will be developed to help determine the essentiality of bridges to the network and the future of crossing locations. Estimated completion time is December 2021.
2.3 The Department of Transportation and Infrastructure Renewal should complete bridge inspections as required by Department policy.	Transportation and Infrastructure Renewal: The Department will review the processes and systems used to track bridge inspections and determine if any additional resources are required to ensure Department policy is met. This review, and any subsequent implementation, will be in place within 24 months.	Public Works: The Department of Public Works (DPW) has updated the bridge inspection policies and procedures. This also includes Quality Assurance requirements to help ensure quality bridge inspections. Tracking systems will be part of a new asset management software program. In the interim, staff are getting regular data extracts from system to track progress of inspections. The bridge inspection procedure has been updated, is under review and will be finalized. Estimated completion time is December 2021.

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2019 Audits		
May 2019: Selection and Quality Management of Bridge Projects in Central and Western Districts (continued)		
2.4 The Department of Transportation and Infrastructure Renewal should implement regular monitoring of information system data, inspection results and documentation, and project files to ensure there is complete and accurate information on the condition of bridges and to monitor compliance with Department policies and processes.	Transportation and Infrastructure Renewal: The Department will review the processes and systems used to track bridge inspections and determine if any additional resources are required to ensure information system data, inspection results and documentation, and project files are complete and accurate. The Department will also monitor compliance with policies and processes. This review and any subsequent implementation will be in place within 24 months. The Department is also hiring a maintenance planner who will prioritize maintenance, inspections and upkeep of all highway infrastructure including bridges. This position should be in place within six months.	Public Works: A maintenance planner has been hired. The Department of Public Works (DPW) is having monthly status reports and statistics prepared for bridge managers on the numbers of completed inspections. New Bridge Management Software (BMS) will allow Inspectors and managers to view the progress of completing inspections, query and report status of completed inspections. DPW will develop a Quality Assurance and Quality Control programs to address these concerns, which may include internal and/or external audits, calibration sessions and other processes. Estimated completion time to implement the BMS is December 2021.
2.5 The Department of Transportation and Infrastructure Renewal should annually review the <i>Project Engineer's Field Manual</i> and the <i>Standard Specification: Highway Construction and Maintenance</i> manual. Updates should be made as needed based on the outcome of the reviews.	Transportation and Infrastructure Renewal: The Department has recently completed an update of the Standard Specification Manual and will continue to review annually as needed. The Department feels the Project Engineer's Field Manuals do not require an annual review. TIR will review and determine a more practical update cycle. There is a quality assurance position which has been vacant but will be filled within six months. This position will also be responsible for updating the Project Engineer manual.	Public Works: Quality Assurance Position has been hired. The Standard Specification Manual has been updated and will continue to receive an annual update. The Project Engineers' Manual review has started. Specifications Committees are now meeting a minimum of three times a year to review issues which may arise. Any changes resulting from meetings will be incorporated into annual update of the Standard Specifications Manual.
2.6 The Department of Transportation and Infrastructure Renewal should implement a process to monitor bridge-related warranties.	Transportation and Infrastructure Renewal: The Department has already started implementation of a monitoring process related to bridge warranties which includes a notification procedure. This will be in place within six months and monitoring will ensure effectiveness.	Public Works: A Bridge Warranty monitoring procedure is currently in place and in use. The Department has already started implementation of a monitoring process related to bridge warranties which includes a notification procedure. Public Works will revisit one-year warranty and three-year warranty requirements. Through the regular project auditing process, the Quality Assurance person will review a minimum of one bridge project in a year.
May 2019: Workers' Compensation Board: Claims Management		
3.7 The Workers' Compensation Board should establish processes to ensure that appeal decisions are made within targeted timeframes, case management is clearly documented to support reasonable actions were taken to resolve the file in an efficient manner, and proper oversight exists.	Workers' Compensation Board: The Workers' Compensation Board (WCB) agrees with this recommendation. Over the next 12-24 months the WCB will review the current process and research best practice to ensure an efficient and timely internal appeals process within the policy timelines, including developing standards for documentation and monitoring of performance to standards. To improve timeliness of appeal decisions, the WCB has hired an additional Hearing Officer.	Workers' Compensation Board: The WCB is addressing the volume of appeal reviews and employer file disclosure requests with a full complement of seven Hearing Officers as of January 10, 2022. A new Procedure, Processing Appeals to the Hearing Officer, describes the timelines to complete necessary steps to process appeals to the Hearing Officer and includes an update to the Internal Appeals New Model Processes to include Guidewire and documenting delays using Guidewire Notes. A Practice Directive, Request for Submission Deadline Extensions, has also been developed to assist staff.

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Recommendation	Management Response from Original Audit Report	Management Summary as of October 15, 2021 (unaudited)
2019 Audits		
December 2019: QEII New Generation Project – Halifax Infirmary Expansion and Community Outpatient Centre		
<p>2.4 The Department of Transportation and Infrastructure Renewal should implement a contract management process to fully oversee contracts related to the Halifax Infirmary Expansion and the Community Outpatient Centre. This process should include documentation to support the oversight of service providers.</p>	<p>Transportation and Infrastructure Renewal (NSTIR): This recommendation is accepted. More documentation of the contract management process will be generated to demonstrate in writing the ongoing contract management approach. The long-standing contract management approach utilized by NSTIR is also followed by Nova Scotia Lands (NS Lands) for the QEII New Generation Project. To ensure that evidence of this contract management process will be readily available in the future, more detailed documents will be created throughout the life of the project. Each NSTIR major capital project contract, including those within the QEII New Generation Project, is assigned an internal point of contact for consistency with the external contractor. This internal contact is the designated lead and will be responsible for ensuring that documentation is maintained to demonstrate ongoing contract management efforts. In addition, for long-term Public Private Partnership (P3) contracts, the required processes and documentation will be established as the project proceeds.</p>	<p>Public Works: The Department of Public Works (DPW) has approved and funded the hiring of a group of six full-time equivalents employees (FTEs) to oversee contract management. The Halifax Infirmary Expansion contract will be executed at commercial close scheduled for June 2022. An associated project implementation plan has been drafted to govern the contract management plan through construction. A contract management manual will be drafted to outline the project governance structure and responsibilities during the transition and operations phase of the project. The estimated completion time is Summer 2023.</p>
<p>2.5 The Department of Transportation and Infrastructure Renewal should ensure the timely signing of contracts with private sector partners that are consistent with procurement documents and contain terms to ensure the public interest is protected.</p>	<p>Transportation and Infrastructure Renewal: This recommendation is accepted. With both traditional and alternative procurement contracts, the project team will ensure that clear documented evidence of an agreement between the parties to the fundamental terms and conditions is established as early as possible in a contract relationship. NSTIR standard practice with traditionally procured contracts is to include specific project terms within the release of a Request for Proposal (RFP) tendered document. The evaluation and acceptance of a compliant bid indicates that the requirements outlined in the RFP submission have been met. This process allows NSTIR to formalize the contract through a "letter of award" and be confident the work will be initiated based on agreed-upon terms and conditions. The formalized contract can be signed afterward without limiting the project and value of the work. The project team will continue to be mindful of ensuring the final contract document is signed by all parties within a timely matter and that clear documentation is in place in the event of a delay in finalizing the terms of a contract. For situations in which an alternative procurement strategy is determined to be appropriate, the Province will ensure that fundamental terms and conditions are agreed upon in writing prior to signing the formalized contract.</p>	<p>Public Works: Nova Scotia Lands Healthcare Infrastructure Projects Division (NSLI), on behalf of the Department of Public Works, is committed to ensuring there is clear documented evidence of an agreement between all parties to the fundamental terms and conditions listed in its contracts. In support of the recommendation, NSLI achieved scheduled contract signing with Ellis Don Infrastructure Healthcare in August 2020 for the delivery of the Bayers Lake Community Outpatient Centre. The active RFP for the Halifax Infirmary Expansion Project is, and will continue to be, governed by standard procurement practices through to contract award scheduled for Summer 2022.</p>

Appendix V: Management Summaries for 2020 Performance Audit Recommendations as of December 31, 2021 (unaudited)

This appendix provides all performance audit recommendations from 2020 and a management-prepared summary of the current progress towards addressing the recommendations. We have not conducted any work and provide no assurance on these management responses. They are presented for information purposes only.

The Province of Nova Scotia's Auditor General Performance Audit policy states that the generally accepted time frame for completion of agreed-upon recommendations is two years. Performance audit recommendations issued in 2021 have not been included in this appendix to allow time for auditees to address the recommendations.

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July 28, 2020: Contaminated Sites	61

Recommendation	Management Response from Original Audit Report	Management Summary as of December 31, 2021 (unaudited)
June 2020 – Chapter 1: Nova Scotia Liquor Corporation - Phase 1		
1.1 The Nova Scotia Liquor Corporation should clarify its role in supporting the local beverage alcohol industry and establish long-term goals and objectives that are specific and measurable.	Nova Scotia Liquor Corporation: The NSLC agrees with this recommendation. According to the Liquor Control Act, the NSLC mandate is to promote industrial or economic objectives regarding the beverage alcohol industry in the Province. It is not the intent of the NSLC to establish sector economic objectives. Support of Local Industry is one of the key focus areas in the 2020-2025 NSLC strategic plan. The NSLC will clarify its role and establish goals and objectives that are specific and measurable but within its capacity as a retailer and within its span of regulatory control. Timing: Implementation January 2021.	Nova Scotia Liquor Corporation: The Nova Scotia Liquor Corporation (NSLC) has formalized its overall objectives in support of local industry and this has been presented to the Board. The next step is to finalize specific and measurable goals in support of the documented objectives. NSLC has a number of initiatives to support local industry and an evaluation of these initiatives is in progress. An ecosystem review was completed and a formal engagement process is in progress which will help inform the setting of specific goals. Roles and responsibilities for support of local industry have been assigned. NSLC has established a measurement criteria internally that aligns to our strategic objectives. Next steps are to communicate the measurement criteria and track against that measurement. The estimated completion time is the fourth quarter of Fiscal Year 2021/22.
1.2 The Nova Scotia Liquor Corporation should establish clear roles and responsibilities for its strategy to support the local beverage alcohol industry, including accountability for specific tasks, monitoring of progress, and evaluation of results.	Nova Scotia Liquor Corporation: The NSLC agrees with this recommendation and will establish clear roles and responsibilities for its strategy to support the local beverage industry. Accountability for specific tasks and timing will be established and progress will be monitored. Timing: Implementation July 2020.	Nova Scotia Liquor Corporation: The recommendation was completed in July 2020. Roles and responsibilities are now assigned and documented. As specific goals are finalized, some refinement may be required if necessary. Commercial and regulatory ownership has been assigned. An additional resource was allocated to oversee stakeholder engagement. The local support implementation over the lifetime of the five-year strategic plan is complete. Local engagement tool kit was implemented with input of internal stakeholders to track and monitor local engagement activities.



(continued)

Recommendation	Management Response from Original Audit Report	Management Summary as of December 31, 2021 (unaudited)
June 2020 – Chapter 1: Nova Scotia Liquor Corporation - Phase 1 (continued)		
1.3 The Nova Scotia Liquor Corporation should review, evaluate, and document each reduced markup structure, defining the goals and objectives, assessing the appropriateness of the markup rate, and conducting a thorough risk assessment, including compliance with trade agreements.	Nova Scotia Liquor Corporation: The NSLC agrees with this recommendation and will ensure all reduced markups are appropriately documented in their published manufacturing policies. Definition of goals and objectives of the reduced markups, an assessment of the current markup rates, and compliance with trade agreements will in part depend on sector objectives as well as the outcome of the current World Trade Organization (WTO) complaint with Australia. This requires consultation with external stakeholders. Timing: Implementation August 2021.	Nova Scotia Liquor Corporation: The Nova Scotia Liquor Corporation will ensure that all reduced markups are appropriately documented in their published manufacturing policies. Definition of goals and objectives of the reduced markups, an assessment of the current markup rates, and compliance with trade agreements will in part depend on sector objectives as well as the outcome of addressing the current World Trade Organization agreement with Australia. This requires consultation with external stakeholders. The estimated completion time is August 2022.
1.4 The Nova Scotia Liquor Corporation should establish a process, including qualifying requirements, for marketing products as Proudly Nova Scotian.	Nova Scotia Liquor Corporation: The NSLC agrees with the recommendation. The NSLC will develop and implement a clear definition of product being labelled as "Local." The NSLC will work closely with industry and sector stakeholders with an attempt to clearly align and define Proudly Nova Scotian and its marketing to our customers. Timing: Implementation April 2021.	Nova Scotia Liquor Corporation: Jurisdiction scans of this practice were completed by the Nova Scotia Liquor Corporation (NSLC) and engagement happened with other provincial retailers. Research was put into market to gauge customer perceptions on local and how we should classify it in our sales channels. NSLC shared this research with local suppliers and engaged with all groups to solicit information and perspective on the frameworks. Compiling what NSLC has learned and what is shared, NSLC is presently in focus groups with customers to provide increased insight. NSLC is engaging with the Department of Agriculture/Perennia to determine if there is opportunity to develop an aligned approach to classification. Research has been completed and we will continue to evolve the program defining local classification criteria by the end of the current fiscal. The estimated completion time is the end of Fiscal Year 2021/22.
1.5 The Nova Scotia Liquor Corporation should review and evaluate the agreement on beer trade to assess the benefit to Nova Scotia's manufacturers and establish a policy which ensures fair and balanced implementation that does not favour out-of-province manufacturers over those from Nova Scotia.	Nova Scotia Liquor Corporation: The NSLC agrees with this recommendation and, as part of its current policy review, will evaluate the terms of the beer trade agreement letter between Alcohol New Brunswick Liquor (ANBL) and the NSLC, including an assessment of whether a specific agreement exclusively between two provincial liquor jurisdictions is appropriate. Implementation of any changes to the agreement letter will be dependent on external parties. Timing: Implementation August 2021.	Nova Scotia Liquor Corporation: A preliminary review of the agreement of beer trades between Nova Scotia Liquor Corporation (NSLC) and Alcohol New Brunswick Liquor (ANBL) was completed with some preliminary findings noted. According to an additional consultation with local industry stakeholders, the NSLC and neighboring liquor jurisdictions are required to assess and recommend changes to the existing agreement letter. The estimated completion time is August 2023.
1.6 The Nova Scotia Liquor Corporation should implement a quality assurance process to ensure amounts paid by local manufacturers through the retail sales markup allocation are reasonable.	Nova Scotia Liquor Corporation: The NSLC agrees with this recommendation and will ensure a program is developed. This would support a quality assurance process and ensuring proper producer categorization for Retail Sales Markup Allocation (RSMA) calculation and markup. Timing: Assessment: October 2020; Readiness (communicate with Producers): Winter 2021; Implementation: April 2021.	Nova Scotia Liquor Corporation: The recommendation was completed. Revised Retail Sales Markup Allocation (RSMA) remittance forms were introduced. Review/audit processes were implemented. Responsibilities for review/audit of RSMA reported sales and RSMA calculations were established and communicated.

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Recommendation	Management Response from Original Audit Report	Management Summary as of December 31, 2021 (unaudited)
June 2020 – Chapter 1: Nova Scotia Liquor Corporation - Phase 1 (continued)		
1.7 The Nova Scotia Liquor Corporation should develop a policy on consultation, to clarify and set the expectations of the local industry.	Nova Scotia Liquor Corporation: The NSLC agrees with this recommendation and will develop a consultation policy that takes into account known external stakeholders. Timing: Implementation August 2020.	Nova Scotia Liquor Corporation: The recommendation was completed. The Nova Scotia Liquor Corporation developed an Engagement Policy which was approved at the November 2020 Board meeting.
1.8 The Nova Scotia Liquor Corporation should conduct a risk analysis and assess the controls in place over the manufacturer's permit process, including segregation of duties and document retention standards.	Nova Scotia Liquor Corporation: The NSLC agrees with this recommendation and will conduct a complete review and risk analysis of the permit process. Timing: Target completion is August 2020.	Nova Scotia Liquor Corporation: An internal risk assessment of the permit process was completed with observations documented and the follow-up is currently in progress. The Nova Scotia Liquor Corporation transitioned responsibility for specific permit functions to the Alcohol, Gaming, Fuel and Tobacco division within Service Nova Scotia and Internal Services, effective April 1, 2021. This transition has impacted the timing of completion. The estimated completion time is the second quarter of Fiscal Year 2022/23.
1.9 The Nova Scotia Liquor Corporation should review the current process for monitoring training and determine changes needed to ensure all training is completed in a timely manner.	Nova Scotia Liquor Corporation: The NSLC agrees with this recommendation. The NSLC has recently created a sustainable training and monitoring approach. Non-compliant employees are being dealt with promptly. Timing: Completed as of May 2020.	Nova Scotia Liquor Corporation: The recommendation was completed in May 2020. The training process has been reviewed and a monitoring program has been developed and implemented.
1.10 The Nova Scotia Liquor Corporation should review the mystery shop program to assess which retailers should be included and define how results are to be used, including roles and responsibilities for analysis, communication, documentation, and enforcement of retraining.	Nova Scotia Liquor Corporation: The NSLC agrees with this recommendation and will review the program in all channels with objectives, process and expected results. This review will also include current agreements relating to agency and private wine and spirit stores (PWSS). Defining an approach with the local industry is dependent on the completion of a consultation process as defined in recommendation 7. Timing: Agency and PWSS completed January 2021. Local Producers completed April 2021.	Nova Scotia Liquor Corporation: The Nova Scotia Liquor Corporation has reviewed the mystery program in all channel with objectives, process and expected results. It included current agreements relating to agency and private wine and specialty stores (PWSS). Defining an approach with the local industry is in progress and dependent on the completion of a consultation process as defined in recommendation. The estimated completion time is April 2022.
1.11 The Nova Scotia Liquor Corporation should establish reporting expectations for the performance measures in the Corporate Social Responsibility framework, including timelines and regular reporting intervals for each performance measure.	Nova Scotia Liquor Corporation: The NSLC agrees with this statement. 2020-2025 NSLC strategic plan is focused on improving our social responsibility framework. As part of this process, the NSLC is developing performance measures that will include timelines and regular reporting intervals for each performance measure. Timing: Implemented Fall 2020.	Nova Scotia Liquor Corporation: This recommendation was completed in Fall 2020. A measurement scorecard has been approved by the Corporate Social Responsibility Committee of the board. Reporting schedule is quarterly.

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Recommendation	Management Response from Original Audit Report	Management Summary as of December 31, 2021 (unaudited)
July 14, 2020: QEII New Generation Project - Halifax Infirmary Expansion and Community Outpatient Centre - Phase II		
<p>1.1 The Department of Transportation and Infrastructure Renewal should ensure that appropriate steps are taken through the implementation and operational periods of the Project, including developing a transition plan to guide the Project through its various stages, a stakeholder engagement plan, and a benefits realization plan.</p>	<p>Transportation and Infrastructure Renewal: The Department accepts the recommendation. The Department is committed to maintaining its governance efforts throughout the implementation and operational phases of the project. A formal Project Implementation Plan has been finalized as of June 11, 2020, and designed to ensure that the roles of all parties involved on the project are clearly described and communicated throughout the noted project phases.</p>	<p>Public Works: Nova Scotia Lands Healthcare Infrastructure Projects Division (NSLI) is currently finalizing the contract management manual for the Bayers Lake Community Outpatient Centre operating phase. The manual will outline project stakeholder responsibilities that take place between substantial completion and the end of the 30-year operating term. Completion of the document is expected by winter 2021-2022. The associated manual for the Halifax Infirmary Expansion Public Private Partnership (P3) project is scheduled to be completed in Fall 2023.</p>
<p>1.2 The Department of Transportation and Infrastructure Renewal should ensure that remaining mitigation strategies from the Objectivity Analysis are completed for the Halifax Infirmary Expansion and the Community Outpatient Centre. In addition, the Department should complete a thorough assessment to determine the impact of COVID-19 on the Project and on the Business Case used to select the Design, Build, Finance, and Maintain (DBFM) model.</p>	<p>Transportation and Infrastructure Renewal: The Department accepts the recommendation to ensure the remaining mitigation strategies from the Objectivity Analysis are completed for the Halifax Infirmary Expansion and Bayers Lake Community Outpatient Centre (BL COC) and that the impacts from COVID-19 are assessed.</p> <p>As the project sponsor, Nova Scotia Lands Healthcare Infrastructure Projects Division (NSLI) will seek approval from Executive Council once final costs are known through the Procurement Process. As part of, and to support these recommendations, NSLI will update the Value for Money based on bid submission and subsequent negotiations and ensure consistency between the Project Agreement and the risk transfer model that formed the Value for Money, subject to COVID-19 considerations.</p> <p>NSLI has completed an assessment of COVID-19 and impacts on the Bayers Lake Community Outpatient Centre Project. This has led to agreed-upon processes and procedures with Proponents to address COVID-19 as the direct impacts become known, realized and able to be quantified.</p>	<p>Public Works: Nova Scotia Lands Healthcare Infrastructure Projects Division (NSLI) will continue to ensure the mitigation strategies from the objectivity analysis are completed for the Halifax Infirmary Expansion and Community Outpatient Centre projects. NSLI will complete an updated Value for Money report based on final bid submissions and subsequent negotiations. Bid submissions will reflect current market conditions including all known COVID-19 impacts. Additionally, the Project Agreement contains processes to address the impact of future pandemic or epidemic events. The Value for Money update analysis for the Bayers Lake COC was completed in advance of Commercial Close, reached August 2020. The subsequent analysis for the Halifax Infirmary Expansion project will be completed prior to Commercial Close which is scheduled for Summer 2022.</p>

(continued)

Recommendation	Management Response from Original Audit Report	Management Summary as of December 31, 2021 (unaudited)
July 14, 2020: QEII New Generation Project - Halifax Infirmary Expansion and Community Outpatient Centre - Phase II (continued)		
<p>1.3 The Department of Transportation and Infrastructure Renewal and the Nova Scotia Health Authority should ensure the master plan as well as any subsequent planning documents, including final design documents, reflect the details determined through the functional programming process. Departments within the hospital should be given the opportunity to review any significant changes from the functional programming and master planning processes with the appropriate oversight committee used to review and approve changes.</p>	<p>Transportation and Infrastructure Renewal and Nova Scotia Health Authority: The Department of Transportation and Infrastructure Renewal (NSTIR) accepts the recommendation. The Department will continue to work with the Nova Scotia Health Authority (NSHA) to maintain the responsibility of engaging with end users throughout the design process. Both TIR and NSHA have collaboratively built a process which values user input and enables transparency from the master planning stage through to the final functional program and building design. The project team will continue to leverage this process to help ensure that the right product is provided upon completion of the Public Private Partnership (P3) contracts.</p>	<p>Public Works: Department of Public Works (DPW) will continue to work with the Nova Scotia Health (NSH) to maintain the responsibility of engaging with end users throughout the design process. Both DPW and NSH have collaboratively built a process which values user input and enables transparency from the master planning stage through to the final functional program and building design. The project team will continue to leverage this process to help ensure that the right product is provided upon completion of the Public Private Partnerships contracts. Halifax Infirmary Expansion User Group engagement for baseline design will be complete upon achievement of Issued for Construction (IFC) documents, currently forecasted to be complete by end of Fiscal 2023/24.</p> <p>Nova Scotia Health Authority: Bayers Lake Community Outpatient Centre: Currently in construction, the project continues to be a collaborative process for stakeholders, including clinical representatives. Issued for Construction (IFC) baseline documents were received, September 2021, signifying close of design development. Prior to IFC documents, the Oversight Committee, including Nova Scotia Health (NSH) maintained commitments to ensure stakeholder feedback was consolidated and incorporated into each design submission. Halifax Infirmary Expansion: Clinical department representatives are engaged throughout the procurement and design development of the project. The RFP open period phase (closing December 2021) was guided by five Design Presentation Meetings (DPM) where stakeholders provided feedback on the progression of the proponent project designs. Feedback was consolidated by the Oversight Committee and issued to proponents in advance of the proceeding DPM.</p>
July 28, 2020: Contaminated Sites		
<p>1.1 The Executive Council Office should assign responsibility to an oversight body to implement a consistent, coordinated approach for assessing and managing known and potentially contaminated sites the Province is responsible for.</p>	<p>Executive Council Office: Government recognizes the importance of effective management of contaminated sites. We agree with the recommendation.</p> <p>Currently, the Contaminated Sites Regulations legislate the processes to manage contaminated sites. Departments notify Nova Scotia Environment of impacts exceeding regulatory criteria and are accountable for managing contaminated properties in accordance with the Contaminated Sites Regulations. Departments also report environmental liabilities attributable to contaminated sites to Finance and Treasury Board as part of the year-end process in accordance with Public Sector Accounting Board standards. This work will continue.</p>	<p>Executive Council Office: Deputy Minister (DM) Committee was formalized as an oversight body to implement a consistent, coordinated approach for known and potentially contaminated sites. In the letter to Standing Committee on Public Accounts issued on August 24, 2020, the Executive Council Office has assigned an interdepartmental advisory group to advise the oversight body. The department of Public Works as well as the department of Finance and Treasury Board are co-chairing the group. Meanwhile, the department of Public Works is responsible of providing coordinated responses to the recommendations.</p>

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Recommendation	Management Response from Original Audit Report	Management Summary as of December 31, 2021 (unaudited)
July 28, 2020: Contaminated Sites (continued)		
1.1 The Executive Council Office should assign responsibility to an oversight body to implement a consistent, coordinated approach for assessing and managing known and potentially contaminated sites the Province is responsible for. (continued)	Government will review its current oversight structure in place such as a Deputy Minister Committee that would better provide a consistent, coordinated approach for known and potentially contaminated sites. In addition, to further advance a coordinated approach, government will create an interdepartmental advisory group to report to the oversight structure and share preferred practices, access to expertise, and facilitate a consistent approach to the management of contaminated sites.	Public Works: Deputy Minister (DM) Committee formalized for annual review of contaminated sites. DM Committee also provides oversight of the Intergovernmental Advisory Group (IAG) efforts to address a consistent, coordinated approach for known and potentially contaminated sites the Province is responsible for. Both the DM Committee and the IAG have met and developed and approved Terms of Reference (ToR) for both committees.
1.2 The Province of Nova Scotia should have a complete inventory of known and potentially contaminated sites the Province is responsible for, including a process to monitor relevant information for decision making.	<p>Province of Nova Scotia: We agree with the recommendation.</p> <p>There are existing legislated processes that result in government maintaining an inventory of contaminated sites. Departments report on contaminated sites and associated environmental liabilities on an annual basis. Information on sites is updated and incorporated as it becomes available as it may impact the regulatory status and/or the environmental liability associated with the site.</p> <p>Nova Scotia Environment maintains an inventory of contaminated sites that are reported under the regulations, including those sites for which government is responsible in accordance with the Contaminated Sites Regulations. Finance and Treasury Board maintains a list of contaminated sites liabilities from the information received from departments during the year-end audit process. Finance and Treasury Board and Nova Scotia Environment reconcile the information to ensure completeness of the government's environmental liabilities. This work will continue.</p> <p>Government will use the interdepartmental advisory group to report known and potentially contaminated sites to the oversight structure for awareness and inventory reporting.</p>	Public Works: Government has developed an interdepartmental advisory group (IAG) that reports known and potentially contaminated sites to the Deputy Minister Committee. The Deputy Minister Committee provides an oversight structure for awareness and inventory reporting. The IAG has been developing approaches to achieve more consistent awareness and reporting. The IAG is developing policies and guidelines to complement Treasury Policy Board and Contaminated Sites Regulations. The estimated completion time is 2024.
1.3 The Province of Nova Scotia should implement a risk-based approach to assess and prioritize all known and potentially contaminated sites the Province is responsible for.	<p>Province of Nova Scotia: We agree with the recommendation. Departments manage contaminated sites for which they are responsible in accordance with the Contaminated Sites Regulations. Properties are managed on a risk-based approach. Departments comply with regulatory requirements and implement practices that minimize impacts to properties for which the Province is responsible. This work will continue.</p> <p>Government will use the interdepartmental advisory group to advise the oversight structure on known and potentially contaminated sites to ensure the effective management within the regulatory framework using a risk-based approach.</p>	Public Works: Government has developed an Interdepartmental Advisory Group (IAG) to advise an oversight body, the Deputy Minister (DM) Committee, on known and potentially contaminated sites to ensure the effective management within the regulatory framework using a risk-based approach. Departments manage contaminated sites in accordance with Contaminated Site Regulations, which are risk-based. The IAG will consider appropriate mechanisms for continued risk-based management within the regulatory framework, including developing policies and guidelines to complement Treasury Policy Board and Contaminated Sites Regulations. The estimated completion time is 2024.

(continued)

Recommendation	Management Response from Original Audit Report	Management Summary as of December 31, 2021 (unaudited)
July 28, 2020: Contaminated Sites (continued)		
<p>1.4 The Department of Environment should ensure that management provides appropriate oversight of the inspectors.</p>	<p>Environment: With the implementation of our Quality Assurance program in June of 2020 we have now completed this recommendation.</p> <p>The Department of Environment is confident we have appropriate oversight of our Inspectors and an effective program for the management of contaminated sites in Nova Scotia.</p> <p>Following the 2010 audit we introduced contaminated site regulations and protocols and re-designed our quality assurance process. Our quality assurance process ensures staff are complying with the operational and administrative responsibilities for the contaminated sites program. Additionally, we completed a thorough evaluation of the implementation of our contaminated site program which informed how we support our Inspectors in doing their work.</p> <p>In 2019 we incorporated our contaminated site process within our electronic business applications system to ensure file management in accordance with our regulatory framework and to schedule monthly internal audits based on risk. Reporting from this system is another mechanism we use to ensure appropriate oversight.</p>	<p>Environment and Climate Change: Following the 2010 audit, Environment and Climate Change (ECC) introduced new contaminated site regulations and protocols and re-designed our quality assurance process to ensure compliance with the operational and administrative responsibilities for the contaminated site program. We completed an evaluation of the implementation of this program which informed on how we support our Inspectors in doing their work. In 2019 our contaminated site process was incorporated in our electronic business applications system to ensure file management conforms to our regulatory framework and to schedule monthly internal audits based on risk. Reporting from this system is another mechanism we use to ensure Inspector oversight.</p>

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