

## Chapter 25

# Saskatchewan Housing Corporation – Long-Term Capital Plan Follow Up

### 1.0 MAIN POINTS

In 2004, we recommended that the Saskatchewan Housing Corporation (SHC) improve its capital asset plan. While some improvements have been made since then, at March 31, 2012 more work remains. SHC's capital asset plan should include key planning information related to the condition of the housing units it owns.

### 2.0 INTRODUCTION

In our 2004 Report – Volume 1, Chapter 15 (pp. 207 – 217), we reported that SHC's capital asset plan was adequate for decision making except that SHC did not include how it expects to determine and measure how well it sustains its housing portfolio over the long term. We made one recommendation.

In September 2004, the Standing Committee on Public Accounts agreed with this recommendation. In our 2007 Report – Volume 3, Chapter 5 (pp. 79 - 80) and our 2010 Report – Volume 1, Chapter 11 (pp. 124 - 126), we reported that SHC had partially implemented the recommendation but had not yet collected sufficient information about the condition of its housing units to facilitate capital planning.

### 3.0 STATUS OF RECOMMENDATION

This section sets out SHC's key actions from January 1, 2010 to March 31, 2012 related to implementing the outstanding recommendation.

#### 3.1 Long-term Capital Plan Not Yet Updated

We recommended that SHC's capital asset plan show:

- › The specific measures SHC would use to determine appropriate size, mix, and condition of the housing portfolio (i.e., performance measures)
- › The starting point of each measure (i.e., baseline), and
- › What SHC expects to achieve with the housing portfolio and by when (i.e., targets) (2004 Report – Volume 1)

**Status** – We continue to make this recommendation in that SHC has not set measures, baselines, or targets specifically related to the condition of the housing units it owns.



To ensure that it undertakes reinvestments in housing on a prioritized and planned basis, SHC needs an appropriate long-term capital plan.

By December 2009, SHC had set measures, baselines, and targets related to the size and mix of the housing portfolio (i.e., housing units it owns) but not for the condition of the housing portfolio. It had developed building maintenance standards (which include minimum health and safety standards).

As noted in Chapter 24–Saskatchewan Housing Corporation–Housing Maintenance, by 2012, SHC was using its standards to assess the condition of its housing portfolio. Housing inspectors collected data on the existing condition of housing units using standard inspection checklists and prepared inspection reports. At March 2012, SHC had not compiled or summarized the housing condition information from inspection reports kept by Authorities or central inspectors. As a result, the condition data was not in a format to facilitate overall capital planning for SHC’s housing portfolio. At March 2012, SHC was determining how best to electronically capture and report on the data collected.

As noted in Chapter 24–Saskatchewan Housing Corporation–Housing Maintenance, SHC did not have an approved inspection policy specifying the frequency or the purpose of inspections of all of its housing units (i.e., no policy for inspections completed by central inspectors). Also, it had not established performance measures or targets for the condition of its housing portfolio.